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ASEAN Members 'Engaged' in Arms Buildup

HK1611032390 Manila THE MANILA CHRONICLE in English 16 Nov 90 p 1

[By Manny Mogato]

[Text] ASEAN members are now engaged in dramatic arms buildup. The arms race among the six Asean nations—Thailand, Indonesia, Malaysia, Singapore, the Philippines and Brunei—is dictated by the sudden changes in economic and political conditions in the region and the emergence of a new flash point in the area—the South China Sea.

Robert Karniol of the Geneva-based 'International Defense Review' told the Pacific Region International Defense Exposition (Pride) conference at the Philippine International Convention Center (PICC) that the arena of confrontation is shifting from land to sea.

Among the factors for the shift in defense policies are diminishing U.S. military presence and security umbrella in the region, the growing rapprochement between China and the Soviet Union, the prospect of an end to the Indochina conflict, the emergence of Japan and India as military powers in the Asia-Pacific region, and the realization that they alone can protect their national interests.

Thailand leads in the arms buildup in the region. Thai transformation began in 1981 and accelerated after a wide-ranging arms agreement signed between Bangkok and Beijing in 1987. Among Thailand's latest acquisition were 18 U.S. made F16A/B fighter jets, 106 U.S.-made Cadillac Gage Stingray light tanks, 105 M48A5 U.S. made main battle tanks, 50 Bell helicopters, 18 Kaman Sh-1 helicopters and three Lockheed reconnaissance planes.

The Thais also acquired from the U.S. 350 main battle tanks, and from China 53 T69 tanks, 100 T36 tanks, several pieces of 37mm anti-aircraft guns and 130mm artillery batteries and ammunition.

Moreover, the Thai navy wanted to reach beyond its 200-km economic zone by planning to acquire a helicopter carrier and sea-borne helicopter units.

Malaysia followed the Thais' initiative by forging an agreement with London for more than 100 billion pound worth of military assistance package.

The Malaysians' concern after the defeat of communist insurgency was the protection of its maritime interests in the South China Sea, particularly in the disputed Spratly Islands and its border quarrels with Brunei and the Philippines. Brunei, concerned over the spillover into its territories of fighting that might arise between Vietnam and China over the Spratly Islands, was also on a modest military buildup. Among its acquisitions were three offshore patrol boats, 15 fighter and strike aircraft and three maritime patrol aircraft.

The Philippines, despite fighting communist insurgency, Muslim secessionist and military rebels, was also drawing up plans for modest naval and air force modernization plan.

Kerniol said Manila's initiatives "are rooted in the realization that the country's economic and military requirements call for tighter control over the archipelago's maritime territory." The Philippines' naval efforts include acquisitions and the commissioning of a number of wornout vessels in order to boost operational capability. The air force, on the other hand, embarked on a more ambitious role of air defense and transport and ground support and maritime patrol capabilities.

Singapore and Indonesia offer less striking changes because of their already well-advanced capabilities in conventional warfare and because of the tight defense budget. Indonesia is pursuing modernization gradually through programs such as air defense system. It has acquired 12 F16 fighters from the U.S. three frigates from the Netherlands and other hardware.

Japan

Gorbachev Call for 'New Relationship' Welcomed

OW2011101090 Tokyo KYODO in English 0951 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—Japan welcomes Soviet President Mikhail Gorbachev's remarks in Paris on Monday on developing a "new relationship" with Japan, a Foreign Ministry spokesman said Tuesday.

Spokesman Taizo Watanabe said that Gorbachev's remarks in an address at the Conference on Security and Cooperation in Europe (CSCE) appeared to show Moscow has concluded that improved Japan-Soviet ties are necessary in the wake of the other positive changes that have swept the globe.

Gorbachev, addressing the 34-nation summit on the future of Europe, said, "...The arch of cooperation we are beginning to develop around the northern hemisphere would be inconceivable without developing a new relationship between the Soviet Union and Japan."

Watanabe noted that Japan was the only country specifically singled out by Gorbachev in his speech, other than a reference to Iraq in the context of the Persian Gulf crisis. "Gorbachev appears to be thinking quite seriously about relations with Japan," the spokesman noted. He said that Japan hopes Gorbachev's visit to Japan scheduled for next April will be an opportune time for a "drastic improvement" in Japan-Soviet relations.

Japan has expressed the hope that Gorbachev will come to Japan with a proposal for resolving the two countries' territorial dispute over four islands off Hokkaido that were seized by the Soviet Union at the end of World War II.

Kaifu Denounces Iraq for Reinforcing Troops

OW2011073190 Tokyo KYODO in English 0718 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—Japanese Prime Minister Toshiki Kaifu denounced Iraq on Tuesday for reinforcing its troops in Kuwait and continuing to ignore U.N. Security Council resolutions urging it to withdraw.

Kaifu told a meeting of policy officials of his ruling Liberal Democratic Party that Iraq is sending more troops and trying to cement its occupation of the oil-rich emirate.

Iraq, which was earlier reported to have deployed 430,000 to 450,000 troops in Kuwait, issued an order on Monday to send another quarter of a million troops to the occupied territory.

Kaifu also said he opposes Iraq's attempt to link the Persian Gulf crisis with the Palestine problem, and reiterated Japan's position to call for a troop withdrawal from Kuwait. The prime minister renewed his call for the public to support government efforts to provide not only financial help but also to send personnel to assist in international peacekeeping operations in order to make Japan's contributions "visible." The government will make its best efforts to work out a new bill on Japan's contributions toward efforts to resolve international crises, he said.

Earlier this month, the House of Representatives dropped a government-proposed bill which would have allowed the sending overseas of troops, ships, and aircraft from the Self-Defense Forces (SDF) to assist in international peacekeeping activities.

The LDP and two opposition parties, Komeito and the Democratic Socialist Party, have agreed to cooperate in preparing legislation aimed at setting up a new peace corps which would not include SDF personnel.

Cabinet-Level Talks With ROK Planned 26-27 Nov

OW2011030890 Tokyo KYODO in English 0254 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—The Government officially decided Tuesday to hold cabinet-level talks with South Korea in Seoul on November 26 and 27.

The talks, to be attended by seven cabinet ministers from each government, including the foreign ministers, are expected to cover the legal status of Korean residents of Japan, the dialogue which Japan has started with North Korea, the establishment of diplomatic relations between Seoul and Moscow, and developments on the Korean Peninsula, government sources said.

It will be the first such meeting in four years. The last time regular Tokyo-Seoul cabinet ministers' talks were held was in December 1986.

Kaifu To Visit South Korea 8 Jan

OW1911153190 Tokyo KYODO in English 1449 GMT 19 Nov 90

[Text) Tokyo, Nov. 19 KYODO—Prime Minister Toshiki Kaifu plans to visit South Korea in early January and is considering a trip to Southeast Asia afterward, a senior official of the ruling Liberal Democratic Party (LDP) said Monday. Kaifu will travel to Seoul on January 8 and stay there for two days, the official said.

Kaifu is studying the feasibility of the tour of member countries of the six-nation Association of Southeast Asian Nations (ASEAN) after the Korean trip. The ASEAN tour may take place between January 13 and 17, the LDP official said.

Meanwhile, LDP sources said that a cabinet reshuffle is unlikely to take place before the Korean trip. Kaifu met top LDP leaders Monday and mulled over the political schedule for December and early January, the sources said.

Chief Cabinet Secretary Misoji Sakamoto, who attended the meeting, refused to reveal the content of the session. But political sources said Kaifu and the LDP leaders agreed that it is very difficult to reshuffle the cabinet within this year becasue of tight political schedule. They agreed that the government and the party will do their utmost for the ministerial talks of the Uruguay Round multilateral trade negotiations on December 3-7, the regular Diet session to be convened in mid-December, compiling the budget for fiscal 1991, and political reform, the sources said.

For the first 10 days after the ordinary Diet session convenes on December 10, the government will be involved in debates over a supplementary budget for fiscal 1990. Budget-related debates will continue well into the end of the month, when ministries aim to attain their requested budgets for fiscal 1991.

It is likely that Kaifu will reshuffle the cabinet around January 24 when the LDP holds its annual party convention, political sources said.

Defense Agency Chief To Visit ROK 6-8 Dec

OW2011074290 Tokyo KYODO in English 0721 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—State Minister for Defense Yozo Ishikawa said Tuesday he will visit South Korea on December 6-8 to brief the South Korean Government on Japan's defense policy and to assure them that Japan will never become a major military power.

Ishikawa told a press conference he will meet South Korean Defense Minister Yi Sang-hun to explain Japan's defense policy and exchange views on Asian and global security issues.

South Korea has expressed strong concern over an aborted Japanese bill that would have allowed the sending abroad of military personnel, supply ships, and transport aircraft from the Self- Defense Forces (SDF) to assist in international peacekeeping operations.

Ishikawa will be the first Japanese defense minister to visit South Korea in over 11 years, following a visit to Seoul by former Defense Agency Director General Ganri Yamashita in July 1979.

Ishikawa said the visit is aimed at dispelling South Korea's worries in connection with the U.N. peace cooperation bill, which was scrapped in the House of Representatives during the extraordinary session of the Diet which ended on November 10.

South Korean news media commented that the attempted dispatch of SDF troops might be a prelude to Japan's strengthening its military influence in Asia. Asian countries, China, and North and South Korea in particular, are sensitive to Japan's military issues because of past Japanese invasions and colonization.

Government To Help Monitor Elections in Haiti

OW1311122590 Tokyo KYODO in English 0946 GMT 13 Nov 90

[Text] Tokyo, Nov. 13 KYODO—Japan will send personnel to Haiti to help monitor presidential and parliamentary elections scheduled for December 16, Foreign Minister Taro Nakayama said on Tuesday.

Nakayama made the remark in a meeting with Haitian Foreign Minister Paul Latortue, who is in Japan to attend the enthronement ceremony for Emperor Akihito, held on Monday. Latortue welcomed the decision to send such personnel to the Caribbean country as part of a U.N. election monitoring team, Foreign Ministry officials said.

Nakayama praised the steady progress so far made in Haiti in preparing general elections since President Ertha Trouillot assumed temporary presidency last March. Nakayama said Japan will extend economic cooperation to help Haiti, which is in serious economic straits, and pledged to study assistance for the country's efforts to install educational facilities and an educational television network as requested by Haiti.

Later in the day, Nakayama met Guatemalan Foreign Minister Ariel Rivera Irias at the Iikura Guesthouse. Nakayama said he hoped the presidential election in Guatemala on Sunday will bring stable democracy in that country. Rivera asked Nakayama for further economic assistance for the economic development of Guatemala and neighboring countries. He also said he would make further efforts to promote bilateral relations not only in economic but also in other fields. Nakayama responded positively to the request, the officials said.

U.S. Trade Official Pessimistic on GATT Talks

OW1711123490 Tokyo KYODO in English 1032 GMT 17 Nov 90

[By Tim Johnson]

[Text] Oiso, Nov 18 (KYODO)—U.S. Deputy Trade Representative Linn Williams said Saturday there is little cause for optimism that the four-year-long Uruguay Round of multilateral trade liberalization talks will be concluded by its December deadline and warned that missing the deadline would probably aggravate U.S.-Japanese trade friction.

"There's not much cause for optimism," Williams told KYODO news service in this seaside resort southeast of Tokyo. "While it is true that the international trading system will not clank to a halt, the atmosphere will be bad," he predicted.

Williams, who is here for the Shimoda Conference, a gathering of U.S. and Japanese opinion leaders, was speaking as intensive diplomatic efforts continued between the signatories to the General Agreement of Tariffs and Trade (GATT) ahead of the scheduled final session of the Uruguay Round on December 3-7 in Brussels. "There's not a great deal of time and it's not clear that there's the necessary political will," Williams said. But the trade official held out a thin hope that an eleventh-hour agreement can be reached. "I can't be totally pessimistic," he said. "In other negotiations that I have done, what seem to be unbridgeable goals are finally reached." Williams added that, even in the worst scenario, "it's not the starting gun for a trade war."

But Williams warned that "much trade concern will remain with Japan" if the talks do collapse. "Japan really hasn't exercised a leadership role" in the round, he said. "They haven't led in areas where we think they could have made a big difference."

Williams singled out the sectors of investment, imbalance of payments, and subsidies, while characterizing as "illogical" Japan's argument that it needs to ban rice imports to ensure its "food security." He said a collapse of the trade talks would lead the U.S. Congress to more closely monitor Japan's adherence to bilateral agreements reached in the Structural Impediments Initiative (SII), while the U.S. Rice Millers Association would petition the government to try to open the Japanese market.

Commenting on Japanese calls for U.S. concessions to bring the present round of GATT talks to a successful conclusion, Williams asked rhetorically, "why should we do that?" "The politics of this are so remote," he said. "We think we have demonstrated the political will and we think we've made the hard choices." He said if there are to be any "dramatic breakthroughs," they should come from Japan and the European Community. Williams said that even if the U.S. did make concessions, congress might not go along. He said, however, that Washington is considering "any number of alternatives."

Commenting on Japan's concept of food security and the European Community's defense of farm subsidies, Williams criticized "the notion that we each have a product to pick off." "That means accepting diminished standards about what we think market access should be," he said. Willliams said exceptions made for the Japanese rice industry could be claimed just as easily for the U.S. automobile or semiconductor industries. "If self-sufficiency in agriculture is logical, then why not self-sufficiency in cars?" he asked. Williams suggested that, if Japan wants to ensure a large emergency rice stockpile, it should import the needed grain. "If you want to have six months of supplies to feed your people, that may make sense, but the notion that you grow it yourself doesn't make sense," he asserted.

Williams predicted that Japan's "sophisticated electorate" would not take an opening of the rice market so hard that it would vote the ruling Liberal Democratic Party out of power.

Comments on Antimonopoly Law

OW1911075090 Tokyo KYODO in English 0719 GMT 19 Nov 90

[Text] Tokyo, Nov. 19 KYODO—U.S. Deputy Trade Representative Linn Williams on Monday urged Japan to reduce legal costs in lawsuits involving the Antimonopoly Law, government officials said.

The request was made at a meeting in the Ministry of Justice between Williams and Vice Justice Minister Yasuchika Negoro, the officials said. Negoro was quoted as telling Williams that it would be difficult to give a favorable response, pointing to the strong opposition such a move would meet from the Japan Federation of Bar Associations. The question of reducing legal costs is a follow-up to the bilateral agreement reached in June on eliminating barriers to trade and investment, known as the Structural Impediments Initiative (SII).

Williams, who came to Japan to attend the Shimoda Conference last Friday and Saturday, also called on Japan to allow joint management of law offices by foreign and Japanese lawyers, according to the officials. The officials quoted Negoro as replying that a feasibility study of the proposal is now under way. But Negoro said he was not sure whether the eventual answer would satisfy the U.S., they said.

The Shimoda Conference is a prestigious forum of leading U.S. and Japanese Government, business, labor, media, and academic figures.

Williams also met with Kohei Nakabo, chairman of the Japan Federation of Bar Associations, who told reporters later he insisted in their discussion that the issue of allowing foreign lawyers to jointly run law offices should be dealt with between the Japanese Bar Associations and the American Bar Association. It was the first time a U.S. Government official has had a face-to-face meeting with a representative of the Japanese Bar Associations on the issue. Nakabo told Williams that it is unreasonable to treat the issue as a trade dispute between the two nations.

Urges 'Breakthrough' at Talks

OW2011063690 Tokyo KYODO in English 0453 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—U.S. Deputy Trade Representative Linn Williams called Tuesday for Japan to facilitate a "dramatic breakthrough" to avert a collapse of the Uruguay Round of Multilateral Trade Negotiations, Foreign Ministry officials said.

Williams, in a meeting with Deputy Foreign Minister Koji Watanabe, also said that the protectionism in the U.S. Congress with respect to trade with Japan would likely increase in the event of the failure of the four-year round of talks under the General Agreement on Tariffs and Trade (GATT). The trade round is due to be completed in December but could be extended for an undetermined period.

The officials quoted Williams as saying that the U.S. has acquired the sense that Japan is not extending the necessary degree of "political attention" to ensuring the success of the Uruguay Round. He called on Japan to exercise greater "leadership," not only in the agricultural sector, an allusion to Japan's closed rice market, but in other sectors such as trade-related investment measures, and intellectual property.

Watanabe replied that even as they spoke a cabinet-level meeting was taking place to coordinate the various government ministries' positions in advance of the decisive GATT ministerial talks in Brussels from December 3 to 7. He said Japan is making its "best efforts" for the success of the round.

The officials said the two agreed that it would be to no country's benefit to see the round collapse, and that greater cooperation is therefore needed to make it a success.

Williams came to Japan to attend the November 15-17 Shimoda Conference, a forum for discussion among U.S. and Japanese opinion leaders from government, business, academia, and the media.

Williams told KYODO NEWS SERVICE last Saturday that "There's not much cause for optimism" that the round will meet its nominal December deadline considering the lack of both time and "political will." But he said if the round does collapse, it will not be "the starting gun for a trade war" between the two countries, though he acknowledged that trade friction would be aggravated.

Officials said Williams told Watanabe on Tuesday that the U.S. considers it important that the Uruguay Round be brought to a comprehensive conclusion which does not water down progress in certain sectors such as agriculture. Watanabe asserted that Japan is a "good pupil" when it comes to agricultural trade, as it imports vast quantities of foreign agricultural products and does not subsidize its own agricultural exports. Officials also quoted him as telling Williams that compared with Europe, "There is no reason that Japan should be penalized in this sector."

But Williams said the existence of barriers in the Japanese agricultural market is nevertheless undeniable, and urged their dismantling for the sake of Japanese consumers. Asked by Watanabe if the U.S. would be willing to lift its own agricultural "waivers," Williams replied that the waivers are on the negotiation table, officials said.

Williams said the fact that Japan does not allow foreign and Japanese lawyers to form partnerships reflects a "discriminatory and monopolistic" system. He said the problem is not merely a legal one, but a politically important bilateral trade issue, because the current system facilitates an "outward flow" of Japanese exports and investment but not an "inward flow" of the same things from abroad.

Officials said Watanabe replied that while Japan recognizes the U.S. interest in the issue, there are inherent difficulties in tackling it.

Williams lamented that the debate over Japan's contributions to the Persian Gulf crisis has focused on what it is expected by the U.S. to do, rather than what it should do of its own accord. He was also quoted as suggesting that the Gulf contribution debate in Japan should focus "more on what Japan is able to do and should do rather than what it is unable to do and should not do."

Cabinet To Defend Trade Policy at GATT Meet

OW2011100490 Tokyo KYODO in English 0849 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—The cabinet of Prime Minister Toshiki Kaifu on Tuesday confirmed it will defend its farm trade policy of prohibiting rice imports at the December 3-7 scheduled final meeting of the Uruguay Round of multilateral trade negotiations, government officials said.

The decision was made at a meeting of the heads of 14 ministries concerned with the current round under the General Agreement on Tariffs and Trade (GATT), they said. "Whether the round will be successfully concluded or not at the ministerial meeting in Brussels early next month is not clear," Foreign Minister Taro Nakayama told his colleagues.

The meeting of ministers concerned with the GATT round was set up to work out the Kaifu cabinet's final strategy for the deadline of the four-year round. "We cabinet members should walk in step in GATT negotiations on thorny issues like farm trade," Nakayama said.

Agriculture Minister Tomio Yamamoto said Japan, which is a big importer of foodstuffs, should defend its nearly total ban on rice imports in the GATT ministerial meeting from the viewpoint of food security.

Those attending the meeting, including Finance Minister Ryutaro Hashimoto and International Trade and Industry Minister Kabun Muto, agreed to do their utmost to ensure a successful conclusion of the Uruguay Round.

Kaifu, Philippines Aquino Discuss Emergency Loans

OW1311055490 Tokyo KYODO in English 0503 GMT 13 Nov 90

[Text] Tokyo, Nov. 13 KYODO—Japanese Prime Minister Toshiki Kaifu told Philippine President Corazon Aquino on Tuesday that Japan will extend 28.2 billion yen in emergency low-interest loans to the Philippines to help bolster its economy damaged by a powerful earthquake in July and the Persian Gulf crisis.

Kaifu, in a meeting with Aquino at the Akasaka State Guesthouse, promised to extend the loans in response to Aquino's letter in October asking for Japanese assistance in rehabilitation after damage from a powerful quake which rocked Luzon Island on July 16 and killed 1,660 people, Japanese officials said. Aquino came to Japan for the enthronement of Emperor Akihito on Monday.

The untied loans, which will provide the Philippines with finance to purchase goods necessary to promote rehabilitation projects, will carry interest of 2.7 percent per annum with a 30-year period of repayment, officials said.

Kaifu also told Aquino that Japan is considering extending about 3.5 billion yen to the Philippines by the end of this year in nonproject grants.

Philippine Finance Secretary Jesus Estanislao, who accompanied Aquino at the meeting, asked Japan to decide as soon as possible how much Japan will extend from the ASEAN-Japan Development Fund (AJDF), which totals 2 billion dollars (about 260 billion yen).

Former Prime Minister Noboru Takeshita, in a summit meeting with ASEAN leaders in Manila in 1987, announced the establishment of the Japan fund to assist the economic development of member countries of the Association of Southeast Asian Nations (ASEAN). The ASEAN members are Malaysia, the Philippines, Indonesia, Brunei, Singapore and Thailand.

Aquino thanked Japan for continued economic assistance to the Philippines. Japan has extended a total of about 830 billion yen in loans to Manila, officials said. She invited Kaifu to the Philippines, they said.

Kaifu Meets Indonesian President, Pledges Aid

OW1111132790 Tokyo KYODO in English 1307 GMT 11 Nov 90

[Text] Tokyo, Nov. 11 KYODO—Japanese Prime Minister Toshiki Kaifu told Indonesian President Suharto on Sunday that Japan would continue providing economic assistance to Indonesia, Japanese officials said.

Suharto assured Kaifu that there would be a stable supply of oil to Japan. He also told Kaifu that Indonesia is a major oil-producing country and can help Japan by supplying it with energy resources, the officials said.

While saying the Persian Gulf crisis has created a global shortage of four million barrels of oil per day, Suharto cited the need for a united global action to secure oil supply. Suharto is here to attend Emperor Akihito's enthronement ceremonies on Monday.

The president said Indonesia has gradually boosted its oil output amid the Gulf crisis and will keep exporting oil within its capacity. Suharto referred to Indonesia's past supply of oil and liquefied natural gas (LNG) to Japan and said it could be able to export LNG for at least two or three more decades. He said nine out of 11 LNG exporting facilities in the country are now operating for Japan.

The president asked for Japan's continued economic aid to Indonesia, noting that his country still needs foreign aid despite increasing income, thanks to oil price hikes in the wake of the Gulf crisis. The boosted revenue falls short of sufficiently covering development projects, Suharto said, adding there is a burden caused by fluctuations in foreign currency.

Emphasizing Indonesia's struggle to boost exports of goods other than oil, gas, and processed materials, Suharto urged Japan's consideration for commercial schemes, including easing tariffs for Indonesian plywood, for example, Japanese officials said. Suharto also requested Japan's cooperation to foster Indonesia's sightseeing industry, referring to the possibility of increased flight services connecting the two countries.

Kaifu, hailing the bilateral relations as very close, told Suharto Japan would like to try to solve questions in Asia with cooperation from Jakarta. The prime minister also pledged Japan will continue to support Indonesia's development efforts, saying Japan extended financial aid to Jakarta for fiscal 1990 to almost satisfy its demand, the officials said.

During a 30-minute meeting at Tokyo's Akasaka State Guesthouse, Suharto also expressed gratitude for Japan's past support, noting help for textile or clothing industries, as well as aid to accomplish in 1984 the self-sufficiency of rice.

Earlier in the day, Indonesian Foreign Minister Ali Alatas met with his Japanese counterpart Taro Nakayama and expressed hope to convene a fresh meeting among four warring Cambodian parties in Paris later this month. He said the meeting would aim at reaching consensus to solidify the Supreme National Council, a U.N.-proposed provisional ruling body in the country.

Kaifu Meets Britain's Duke of Edinburgh

OW1611123090 Tokyo KYODO in English 1148 GMT 16 Nov 90

[Text] Tokyo, Nov. 16 KYODO—Prime Minister Toshiki Kaifu told Britain's Prince Philip on Friday that Japan is moving to ban imports of sea turtles before an international conference on endangered species is held here in 1992.

Japan is examining scientific data on the rare turtles, and will make efforts to eliminate trade in time for the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Environment Agency officials quoted Kaifu as saying. Kaifu made the comment in a 45-minute meeting with the Duke of Edinburgh, who is president of the World Wide Fund for Nature (WWF) International. Environment Agency Director General Ishimatsu Kitagawa also attended the meeting. Countries that join CITES are expected to bar trade in endangered species listed in the treaty but they are allowed to make exceptions.

Japan has "reservations" on two turtle species and eight other species which have commercial applications, more than any country except Switzerland.

Japan imports some 20 tons of Hawksbill Turtles each year, equivalent to 20,000 turtles, for hair ornaments, musical instruments, and other traditional items. The skins from 5,000 to 10,000 Olive Ridley Turtles are also imported for handbags and accessories.

Prince Philip also urged Kaifu to ensure that environmental assessments are conducted for all overseas development projects, the officials said.

Japanese officials have said they are reluctant to require aid recipients to perform such assessments because doing so might be considered interference in those countries' internal affairs.

Prince Philip, noting that Japan imports large quantities of tropical timber from Southeast Asia, also urged Kaifu to grant more development aid for the conservation of rain forests. He suggested training of forestry experts as one area where Japan could contribute. Japan is the single largest importer of tropical wood.

Kaifu noted that Japan has pledged to spend 300 billion yen from 1989 to 1991 on environmental aid, the officials said.

Prince Philip is in Japan to launch the WWF Japan's 20th anniversary campaign. The campaign has four aims: To conserve tropical forests, tighten controls on endangered animal trade, preserve wetlands, and preserve the environment in Okinawa and the Amami Islands, known as the Galapagos of East Asia for their wide diversity of species.

Prince Philip will meet business leaders and address the media before departing Monday for an environmental meeting in Australia.

Projectiles Land Near Nagoya Shinto Shrine

OW1911181690 Tokyo KYODO in English 1512 GMT 19 Nov 90

[Text] Nagoya, Nov. 19 KYODO—Projectiles fired by suspected extremists opposed to the emperor system landed near a Shinto shrine housing imperial relics late Monday in Nagoya, police said.

Authorities said witnesses reported five explosions in the vicinity of the Atsuta Shrine, which is dedicated to five deities, including Amaterasu Omikami, the legendary sun goddess who founded the imperial house. The shrine stands on the 200,000-square-meter ground and houses about 3,000 national treasures. Police said they found four projectiles near the front and the rear of the prayer hall of the shrine. No one was injured in the blasts, police said.

Police suspect the rockets were launched by leftist radicals opposed to the enthronement rites for Emperor Akihito. Emperor Akihito formally ascended to throne on November 12. He will perform the great thanksgiving ceremony, or Daijosai, one of the last of the rituals related to the enthronement ceremonies beginning Thursday night and ending early Friday.

Cabinet To Convene Diet 10 Dec Through 8 May

OW2011051490 Tokyo KYODO in English 0448 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—The cabinet of Prime Minister Toshiki Kaifu will convene the Diet on December 10 for a 150-day ordinary session through May 8, government officials said Tuesday.

The cabinet will present a Fiscal 1990 supplementary budget calling for spending 2.2 trillion yen which includes an additional 1 billion dollars or about 130 billion yen of Japan's financial support for U.S. and other foreign troops massed in the Persian Gulf.

The Government has already spent the first batch of 1 billion dollars from reserve funds earmarked in the 66 trillion yen state budget for Fiscal 1990.

Advisory Panel on Immigration Policy Formed

OW2011114790 Tokyo KYODO in English 1028 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 (KYODO)—An advisory panel to the Justice Minister on immigration policy was set up Tuesday to study the impact foreign residents may be having on Japanese life, ministry officials said.

The panel consists of 18 members, including Masami Ito, former justice of the Supreme Court, and Chie Nakane, professor emeritus of anthropology at the University of Tokyo. The first meeting of the panel will be held on Thursday. Ito is expected to be chosen as chairman, the officials said.

The discussions will cover a variety of subjects, including whether Japan should lift its ban on the entry of unskilled foreign workers and how local governments should prepare if the ban is lifted. The panel will also study whether the legal status of Korean residents in Japan should be improved, the officials said.

The ministry plans to draw up a basic immigration policy by next fall, they added.

LDP To Hold 24 Jan Convention in Tokyo

OW2011044290 Tokyo KYODO in English 0429 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—The Liberal Democratic Party will hold a regular convention in Tokyo on January 24, ruling party officials said Tuesday.

The convention will adopt the party's action plan for 1991, the officials said.

Addition to Budget To Ease Gulf Losses Planned

OW2011132790 Tokyo KYODO in English 1249 GMT 20 Nov 90

[Text] Tokyo, Nov 20 (KYODO)—The government is considering adding 60 billion yen to its supplementary budget for fiscal 1990 to cover the losses incurred from the Persian Gulf crisis, government sources said Tuesday.

The 60 billion yen—20 billion yen for the government's overseas cooperation fund and 40 billion yen for the trade insurance special account—will bring Japan's Gulf-related disbursement under the supplementary budget to 190 billion yen. Japan has already pledged 1 billion dollars in aid to the multinational forces in the Middle East.

The 20 billion yen will be used to ease financial pressure on Japan's overseas economic cooperation fund, which is expected to suffer from Japan's low-interest 600 million yen commodity aid destined for countries hardest hit by the turmoil in the Gulf.

The remaining 40 billion yen will answer a request placed by the Ministry of International Trade and Industry, which is calling for increased trade insurance to cover losses of Japanese companies involved with Iraq and Kuwait.

Oil Project With Soviets 'About To Materialize'

OW1311143290 Tokyo KYODO in English 0851 GMT 13 Nov 90

[Text] Tokyo, Nov. 13 KYODO—A Japan-Soviet joint oil and natural gas development project near Sakhalin is about to materialize following years of stalled negotiations, Japanese officials said Tuesday.

The Japanese side is intent on reaching a final agreement by next April, when Soviet President Mikhail Gorbachev is scheduled to make a historic visit to Tokyo, they said. The project was originally agreed upon in 1972 by Japanese business leaders and Soviet officials at their regular economic consultations. But negotiations bogged down due to sagging world crude oil prices and changes in Soviet policy. But the surge in oil prices since Iraq's invasion of Kuwait has made the project more feasible, according to Sakhalin Oil Development Co. officials.

The company, which is partly owned by Japan National Oil Corp., serves as a channel through which the Japanese have been negotiating with Soviet officials.

The nearly 2.5 billion dollar project is designed to develop oil and natural gas fields northeast off Sakhalin. Under an initial plan, production would begin in 1995 with natural gas slated for shipment to the Soviet Far East via pipelines and crude oil due for exports to Japan.

Officials close to Sakhalin oil development said the Japanese parties want financing by the governmental Export-Import Bank of Japan to raise half the funds needed for the project. "It's a key to success whether the government, including the Export-Import Bank of Japan, will back up the project," said an official at a major trading house involved in the project.

The government has resisted offering substantial economic support to the Soviet Union due to its territorial dispute over four islands east of Hokkaido that have been held by the Soviet Union since the end of World War II.

Chemical Fertilizer Plant Planned With SRV

OW1711101490 Tokyo KYODO in English 0935 GMT 17 Nov 90

[Text] Ho Chi Minh City, Nov 17 (KYODO)—Vietnam's most profitable company plans to join hands with a major Japanese trading house to build a chemical fertilizer plant in a suburb of Ho Chi Minh City, an official at the Vietnam company said Saturday.

Ho Chi Minh City's Food Corporation, and Nissho Iwai Corp. will sign an agreement as early as next month on the 22 million dollar project, the official told KYODO news service.

The joint venture will mark the largest Japanese investment in Vietnam since 1978, when Japan froze official economic aid to the country in protest against its invasion of Cambodia. He said the two companies have yet to decide on their equity stakes in the project, but added that they intend to begin construction next year. The plant will have an annual capacity of one million to 1.5 million tons of chemical fertilizers, most of which will be sold in Vietnam, he said.

Vietnam reportedly expects shortages of oil, fertilizer, and cotton next year owing to reduced supplies from the Soviet Union, its major trading partner, because Moscow is demanding that even Socialist states adhere more closely to commercial trading terms in line with its market-oriented economic reforms.

Vietnam is reportedly trying to increase fertilizer production, in particular, in order to boost production of rice, its main export item.

Pulp Paper Project With Brazilain Firms Planned

OW2011122190 Tokyo KYODO in English 1108 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 (KYODO)—Nissho Iwai Corp. said Tuesday it has agreed with three Brazilian companies to launch a joint pulp and paper production and afforestation project in Maranhao, in the lower reaches of the Amazon.

Nissho Iwai and its Brazilian partners, including a state-run mining company Companhia Vale do Rio Doce—CVRD based in Rio de Janeiro, will set up a joint venture to undertake the project within this year.

Plans call for capital for the new firm, to be named Celmar Industria de Celulose, to increase gradually to 480 million U.S. dollars when it reaches full-scale operation in eight years, according to Nissho Iwai officials.

The new venture will buy a total of 250,000 hectares of land which is now in bad condition due to unregulated development, and will begin planting eucalyptus trees from 1991 for the use of pulp and paper production later on. The partners expect that the firm will produce 420,000 tons of pulp annually from 1999.

According to the officials, the project, with a planned expenditure of 1.2 billion dollars, is a part of Brazil's national afforestation scheme.

The partner companies are considering raising funds for the project through low-interest World Bank loans provided for environmental protection projects such as afforestation, the officials said.

At this point, Rio Doce plans to invest 30 percent of the operating expenses, and Nissho Iwai 15 percent. The remaining 55 percent will be put up by the two other Brazilian partners, Industrial de Papel Simao S.A. and Ripasa S.A. Celulose e Papel, both from Sao Paulo.

Nissho Iwai also plans to invite other Japanese pulp and paper producers to contribute to its 15 percent of expenses, the officials said.

The Amazon basin is now in deteriorating condition due to massive slash-and-burn farming undertaken since the 1970s, they added.

Mieno Warns of Growing Inflationary Pressure

OW1911080690 Tokyo KYODO in English 0740 GMT 19 Nov 90

[Text] Osaka, Nov. 19 KYODO—Bank of Japan Governor Yasushi Mieno said Monday inflationary pressures both at the wholesale and consumer levels are creeping higher in the wake of rising world crude oil prices caused by the Middle East tension.

In his talks with leaders of four business organizations in Osaka, Mieno said the country's wholesale prices appear certain to post a 2 percent year-on-year growth by the end of this year. The overall wholesale prices rose 1.8 percent in October from the same month a year earlier.

The annual growth of consumer prices, Mieno said, will also reach the 4 percent level temporarily by the end of December, increasing from the present 3 percent level.

The strength of the yen against the U.S. dollar, the central bank governor said, has so far helped offset the adverse impact of higher oil prices on the domestic economy. But at the same time, Mieno voiced concern that a precipitous fall in the dollar's value should be avoided, a view he said was shared by every member of the Group of Seven (G-7) major industrial nations.

Mieno told attendants he expects the yen to reflect Japan's fundamental economic strength, meaning he favors a stronger yen.

Commenting on the apparent difference in interest-rate policies among the G-7, Mieno said recent changes in monetary policy by some countries were all taken to achieve the same goal—holding down inflation.

The U.S. moved to ease its grip on credit, while Germany and France have recently tightened their monetary policies.

Despite growing potential for higher inflation in Japan, Mieno stopped short of discussing any changes in his monetary policy, saying the central bank will keep its policy of emphasizing price stability. Mieno reiterated his view that the Japanese economy remains strong so it can weather any adverse effects stemming from the Persian Gulf crisis for now. Mieno, however, said there is no room to be overly optimistic about the effects the developments in the Mideast crisis will have on the economy in the long run.

Economic Agency Reports Continued Expansion

OW2011032690 Tokyo KYODO in English 0126 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—The Japanese economy entered its 48th consecutive month of expansion in November supported by firm domestic demand, the Economic Planning Agency (EPA) said in its monthly report Tuesday.

Increasing corporate earnings and growth in employment have also contributed to the advance, it said, leaving the nation with only nine more months to match the longest uninterrupted economic boom from November 1965 to July 1970. Corporate investment is on the rise.

After an expected 3.3 percent increase in the July-September period from the quarter before, the figure during the October- December period is expected to rise by 2.2 percent. Additional growth of 2.5 percent is likely in the following quarter, an EPA official said. Consumer spending is also showing a steady increase.

Department stores sold 9.7 percent more than a year before in September, while sales of automobiles, including minicars, are expected to post a 6.0 percent rise in October.

Tourism is another pillar of the steady growth, the official said. Overseas travel jumped 12.9 percent in September compared to month last year, while domestic travel rose 3.3 percent.

Labor demand is increasing firmly, and so is the shortage of manpower, the offical said.

The official said Japan's seasonally adjusted current account surplus has started to shrink and a preliminary report showed the September figure as declining to 2.29 billion dollars. The official said, "High interest rates are slowly beginning to affect housing starts," but "there shouldn't be a major change in their steady growth."

Consumer prices are stable, with the exception of certain items such as oil-related products and rolled steel, he said. In the Tokyo area, where prices are not as affected by oil as elsewhere, the index inched up 1.1 percent in October from the month before and was 3.1 percent higher year on year.

Wholesale prices continued to rise in October, up 0.3 percent from the month before and up 1.8 percent from a year earlier.

The September money supply is believed to have increased by 12.0 percent year on year after marking an 11.9 percent rise in August, the official said.

The report by the EPA was based on an analysis of current economic statistics and was submitted to the cabinet for approval.

Plant Exports Increase in Apr-Sep Period

OW2011102890 Tokyo KYODO in English 0941 GMT 20 Nov 90

[Text] Tokyo, Nov. 20 KYODO—Exports of industrial plants for the first half of fiscal 1990 increased 16.5 percent from a year earlier to 6.21 billion dollars, according to a survey released Tuesday by the Ministry of International Trade and Industry. The survey was limited to plant export contracts worth 500,000 dollars or more.

The jump during the period from April to September was attributable to the steady economic expansion in Asian countries, especially that in the Association of Southeast Asian Nations (ASEAN), ministry officials said. The end of the Iran-Iraq war also opened the way for economic reconstruction in the Middle East and strengthened demand for chemicals and textiles, they said.

However, exports in the current September-March period are expected to fall since Iraq's August 2 invasion of Kuwait has precluded large contracts from being made with Saudi Arabia and Iraq, the officials said. The reversal in exports is also expected since a particulary high increase was posted in the second half of fiscal 1989. Nevertheless, demand for plants is recovering in Africa and in some heavily indebted countries in Latin America, they said.

For fiscal 1990, total exports are expected to drop 5.1 percent from the previous year to 12.03 billion dollars, topping 10 billion dollars for the second consecutive year.

North Korea

Yon Hyong-muk Message on North Delegates

SK2011033690 Pyongyang Domestic Service in Korean 0300 GMT 20 Nov 90

[Telephone message sent by Premier Yon Hyong-muk, head of the North side's delegation to the North-South high-level talks, to Kang Yong-hun, prime minister and senior member of the South side's delegation]

[Text] To Kang Yong-hun, senior member of the South side's delegation to the North-South high-level talks:

I am informing you of the fact that delegates Paek Nam-chun and Choe U-chin, and responsible liaison official Choe Pong-chun, will participate, along with two suite members, as delegates of our side in the contact between working delegations to prepare for the third round of North-South High-Level Talks.

[signed] Yon Hyong-muk, head of the North side's delegation to the North-South High-Level Talks

[dated] 20 November 1990

Red Cross Sends Telephone Message to South

SK2011034690 Pyongyang Domestic Service in Korean 0300 GMT 20 Nov 90

[Telephone message sent by Yi Song-ho, acting chairman of the Central Committee of the DPRK Red Cross Society, to Kim Sang-hyop, president of the Korea National Red Cross, on 20 November—read by announcer]

[Text] To Kim Sang-hyop, president of the South Korean National Red Cross:

In order to deliver a letter by Kim Won-kyun, chairman of the Central Committee of the Korean Musicians Union, to Hwang Pyong-ki, director of the Seoul Traditional Arts Troupe, I will send two liaison officials to the conference room of the Neutral Nations Supervisory Commission at Panmunjom on Wednesday, 21 November 1990, at 1500.

I hope that you will give an affirmative reply.

[signed] Yi Song-ho, acting chairman of the Central Committee of the DPRK Red Cross Society

[dated] 20 November 1990

'Repressive Campaign' of No Group Denounced

SK2011044890 Pyongyang KCNA in English 0416 GMT 20 Nov 90

[Text] Pyongyang November 20 (KCNA)—The Central Committee of the South Korean National Democratic Front [SKNDF] (Hanminjon) on November 15 released an appeal to the South Korean people in connection with the ever intensified repressive campaign of the No Tae-u group, according to radio "Voice of National Salvation".

The appeal said that a repressive order against people "war against crimes" was announced and the "Security Planning Board", "security command", "prosecution", "police headquarters" and all other security organs are under the overall emergency mobilization system in South Korea where the desire for independence, democracy and reunification is surging high.

This operation of No Tae-u's "Sixth Republic" to stifle the democratic and patriotic forces is a poison-like medical prescription for tiding over the crisis of the "government" driven into the wall and a campaign to pave the way for realizing the plot to prolong the military administration which was revealed by the "disclosure of a note of agreement on constitutional revision for the parliamentary cabinet system", the appeal says, adding:

The No group is abusing North-South dialogue as a shield for the maintenance of the "power", going against the ardent desire of the entire people for reunification.

The most powerful strength in the struggle against No Tae-u and the military administration is unity.

The appeal calls upon the working masses to take the lead in the struggle for the abolition of the evil labour laws and to intensify the struggle for winning the three rights of labour.

It also calls upon the farmers to expand the struggle against "Uruguay Round" and for the increase of rice price.

It appeals to the students to secure militancy and popularity with correct fighting strategy and skillful fighting tactics and defend the National Council of Student Representatives (Chondaehyop).

It urges the dissident democratic organisations and patriotic people of all strata to form a united front against No Tae-u and the military administration through a joint struggle with nationwide unity, transcending ideologies and ideas.

It calls for smashing the No Tae-u dictatorial group's plot for long-term office, not being taken in by the deceptive declaration on abandonment of the "parliamentary cabinet system", liquidate the colonial fascist rule of the United States and the No Tae-u group and achieve independent and peaceful reunification.

Daily Denounces No's 'Suppression' of Farmers

SK2011050590 Pyongyang KCNA in English
0440 GMT 20 Nov 90

[Text] Pyongyang November 20 (KCNA)—The No Tae-u group's suppression of farmers who call for higher purchase prices of grain and for the purchase of the whole amount of the autumn grain and rise up in a struggle to push this demand is an unpardonable act of treachery that tramples underfoot their fundamental vital rights, says NODONG SINMUN in a commentary today.

The news analyst notes:

The No Tae-u group, while flinging the door open to foreign monopolies to bring into South Korea surplus agricultural and livestock products without restriction, limits the purchase from the peasants and pays them dog-cheap prices far less than the production cost at that.

The puppets are suppressing the South Korean farmers at the point of the bayonet, far from accepting their just demand. This is as good as driving them to death.

Such act of the No group makes it plain enough that "immediate solution of the problem of people's life" and "general measures for farming and fishing villages" advertised by them are nothing but an empty talk to deceive the South Korean people and farmers.

The South Korean farmers' demand as regards the purchase of autumn grain must be met without delay and suppression of them be stopped at once.

Daily Calls South's Liberal Democracy 'Fraud'

SK1911104990 Pyongyang KCNA in English
1026 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—The "liberal democracy" loudly advertised by the No Tae-u group till today since it took over the dictatorial power with violence and fraud, making false "commitments to democracy", is nothing but a camouflage to fool the popular masses and conceal the reactionary nature of the colonial military fascist dictatorship and the anti-popular nature of the South Korean society, says NODONG SINMUN in a by-lined article today.

There does not exist a system which guarantees the popular masses freedom and democracy in such a colonial fascist society as South Korea, the paper says, and continues:

If there are any freedoms in South Korea, it is freedom of a tiny handful of privileged classes such as landlords, comprador capitalists and reactionary ruling quarters with money and power to oppress, exploit and plunder the working popular masses. And it is freedom of the popular masses to be oppressed and fleeced and to starve to death.

Rallies and demonstrations in such colonial fascist society as South Korea are a means of expression to which the people cannot but resort to for defending their interests. In South Korea, however, a large number of ralliers and demonstrators are handicuffed and taken to prison on the charge of violation of the "law on assembly and demonstration".

The "liberal democracy" in South Korea means that a tiny handful of the privileged get daily richer, lead a fast life and live in clover, doing all evils backed by power, while the working people, the majority of the population, left without power and means of production, are politically rightless and destitute in economic life and are looked down upon in society.

If freedom is to be guaranteed and democracy be realized in South Korea, the rights to participate in socio-political activities for free expression and in economic and cultural life must be guaranteed to the people.

The South Korean rulers suppress the struggle of the popular masses for independence, democracy and reunification, branding it as "a pro-communist act benefiting the enemy" that endangers "the liberal democratic system", and oppose national reconciliation and unity by fostering hostility within the nation and inciting North-South confrontation. This tells that "liberal democracy" advocated by them is a slogan hostile to democracy and the reunification of the country.

The undisguised military fascist offensive launched by the No Tae-u group under the pretext of "defending the system" is a product of their hysteric moves to block the massive advance of the people that tightens the noose around its neck, prop up the military dictatorial rule in reliance upon violence and, furthermore, realize its wild dream of anti-communist unification, "unification by prevailing over communism".

The military fascist clique's doctrine of "defense of liberal democratic system" is a doctrine of defending the colonial militry fascist dictatorial system, a rehashed version of the argument for extending the system and for "unification by prevailing over communism".

Committees Greet Reunification Group in USSR

SK1811085490 Pyongyang KCNA in English
0801 GMT 18 Nov 90

[Text] Pyongyang November 18 (KCNA)—The Committee for the Peaceful Reunification of the Fatherland and the Korean Committee for Aiding Overseas Compatriots today sent messages of greetings to the Soviet Committee for the Promotion of Korea's Reunification on the first anniversary of its foundation.

The Committee for the Peaceful Reunification of the Fatherland said in its message that the Soviet Committee for the Promotion of Korea's Reunification evoked ardent desire for reunification among overseas Koreans through the work of the relay group of conveying letters for pan-national reunification on the occasion of the pan-national rally [PNR] and sent a delegation to the PNR to conduct brisk activities and made a great contribution to making the PNR a historical gathering to be recorded in the history of our nation's reunification movement.

We believe, the message said, that the Soviet Committee for the Promotion of Korea's Reunification will as ever powerfully arouse the Koreans in the Soviet Union to the sacred cause for the independent and peaceful reunification of the country, upholding the watchword "let us contribute to national reunification with concerted efforts—those with strength devote their strength, those who have knowledge dedicate their knowledge and those who have money donate money!"

The Korean Committee for Aiding Overseas Compatriots said in its message that the Soviet Committee for the Promotion of Korea's Reunification has expanded and strengthened its organization and intensified its activity and thus become an overseas compatriots' organization with great influence.

The message expressed the conviction that the committee will wage a vigorous struggle for the realization of the proposal for founding democratic confederal republic of Koryo, a most realistic and reasonable way for the independent and peaceful reunification of the country.

Foreign Ministry Condemns South-U.S. Meeting

SK1911113890 Pyongyang KCNA in English
1106 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea today released a statement condemning the 22nd "South Korea-U.S. Annual Security Consultative Meeting" between the United States and the South Korean authorities.

The statement reads in full:

The United States and the South Korean authorities held the 22nd "South Korea-U.S. Annual Security Consultative Meeting" in Washington a few days ago, at the end of which a "joint communique" came.

At the meeting they debated on the continued maintenance of security cooperation between the United States and South Korea and on strengthening the "joint defence posture" and, talking about the fictitious nuclear development by us, discussed matters of intensifying joint intelligence activities to confirm the position of its object and working out an "operational plan" to "remove" it in case of emergency.

As shown above, the "security consultative meeting" itself betrayed the anti-peace, anti-dialogue and anti-reunification stand of the United States and the South Korean authorities seeking to go against the international trend toward detente and freeze the developing North-South relations and North-South dialogue.

It is a rash act of the United States and the South Korean authorities to sit together and openly hatch a war plot against the dialogue partner at a time when the question of adopting a nonaggression declaration has been placed on the order of the day at the North-South High-Level Talks.

Raising outcries over the development of chemical and nuclear weapons by us, the United States and the South Korean authorities drivelled about intensified joint intelligence activities and "an operation to remove" them. This utterance cannot be construed otherwise than a move to justify the presence of the U.S. nuclear weapons and the U.S. forces in South Korea and an act of renewing their determination to unleash a nuclear war any moment on an unreasonable, false pretext.

The government of the DPRK put forward proposals for nuclear arms reduction, a total and complete ban on nuclear weapons and the conversion of the Korean peninsula into a nuclear-free, peace zone and is making every possible effort for carrying them into practice.

It was decided at the "annual South Korea-U.S. Security Consultative Meeting" to replace the chief delegate of the U.N. Forces side to the Military Armistice Commission with a person of the South Korean Army which is not a signatory to the armistice agreement.

This is a deliberate act to torpedo the armistice agreement and the armistice apparatus which have been maintained in Korea.

If the United States intends to force the replacement of the chief delegate, it should, first of all, go through procedures to secure necessary legal and institutional mechanism and a negotiation must be held between the signatories of the armistice agreement to solve this question.

The United States and the South Korean authorities announced that they would continue to stage such joint manoeuvres as the "Team Spirit", contending that they are vital to keeping a "deterrent."

If they desire and value dialogue between the North and the South as they say, they should completely stop all the joint military exercises including the "Team Spirit" for the detente on the Korean peninsula and the progress of the North-South dialogue, instead of talking about reduction of the scale and duration of the "Team Spirit".

This time, the South Korean authorities begged for the continued presence of the U.S. forces, even promising that they would more than double their share of the burden for their maintenance in South Korea and undertake military support to the U.S. forces in case of emergency. This is a treacherous act which can be committed only by the traitors who sell the country and the nation to outside forces without heeding the dignity of the nation, the demand of the people and the universal trend. The South Korean authorities are keen on currying favour with their masters, the U.S. imperialists, clean indifferent to the dialogue between the North and the South.

The government of the Democratic People's Republic of Korea and the entire Korean people bitterly denounce the "joint communique" released by the United States and the South Korean authorities at the recent annual war confab, regarding it as a grave challenge throwing a wet blanket over the ardent desire of the Korean people for reunification and going against the relaxation of tensions on the Korean peninsula.

The United States must not cling to the "policy of strength" on the Korean peninsula while waxing eloquent about "detente", "advent of an era of negotiation" and so on, but act with reason in the interest of peace and reunification. And the South Korean authorities must also act with discretion in keeping with the progress of the North-South dialogue.

Daily Comments on Joint U.S.-ROK Communique

SK1911073390 Pyongyang KCNA in English
0520 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—NODONG SINMUN today comments on the joint communique made public at the end of the 22nd security consultative meeting held in Washington between the military bosses of the United States and South Korea.

The paper says in a signed commentary:

The U.S. imperialists said in the joint communique that the "security" of South Korea is "vital to the security of the United States" and the United States would give a "prompt and effective assistance" to the puppet clique in accordance with its "defence commitments." They prattled that they would keep their troops in South Korea as a "deterrent" as long as they want and provide the puppets with their "nuclear umbrella." They also said that even in case they reduce their troops stationed in South Korea, they would do on a phased basis, scrupulously reviewing the situation. They announced that they would continue the "Team Spirit" joint military exercises, a nuclear test war against the North, expand cooperation with the puppets in military technology and war production and give them "war-time assistance" concerning weapons and ammunitions.

In a nutshell, the joint communique reflects the U.S. imperialists' attempt to keep their troops in South Korea, increase their presence and ignite a nuclear war on the Korean peninsula to invade the North and the treacherous nature of the South Korean puppets to join their masters in aggressive schemes and play the role of a shock-brigade in the U.S. imperialists' anti-DPRK, anti- socialist war manoeuvres.

We, out of the noble sense of responsibility for the cause of world peace, put forward numerous rational proposals for arms cut and peace initiatives to remove military confrontation from the Korean peninsula and avoid the danger of war, and are making all our efforts for their materialisation.

Precisely at this time, the U.S. imperialists and the South Korean puppets have strengthened aggression and war posture against us and betrayed their attempt to invade the North. This is an unpardonable, vicious challenge to our peace efforts and the desire of the world's peace-loving people for peace.

What is more serious is the fact that the South Korean puppets called on their masters to have a confab to intensify confrontation with us at a time when the question of removing political and military confrontation is being discussed at the North-South High-Level Talks.

It is as clear as daylight that the aggressive confab between the U.S. imperialists and the South Korean puppets will not only adversely affect the North-South dialogue now under way but also result in rendering the situation of our country, strained aggravating antagonism and confrontation between the North and the South and increasing the danger of war.

The U.S. imperialists must give up their anachronistic Korean policy and take all their aggression forces including nuclear weapons out of South Korea and the South Korean puppets must stop their treacherous acts and take the road of peace and reunification.

Joint U.S.-South Air Force Exercise Denounced

SK1711043990 Pyongyang KCNA in English 0413 GMT 17 Nov 90

[Text] Pyongyang November 17 (KCNA)—The U.S. imperialists on November 13 brought 10 odd C-130 transport planes and transport helicopters carrying a large number of troops and combat materials to the Osan Air Force Base from Yokoda, Japan, and staged an exercise of thrust into a designated area, according to military sources.

This airlifting exercise was to promptly transfer and deploy forces and equipment to the operational zone of South Korea from the Yokoda Base "in the event of contingency".

On the 9th and 10th, the U.S. imperialists introduced formations of Yokoda-based C-130 transport planes loaded with a large quantity of combat equipment into the Osan and Kimhae Air Force bases.

The South Korean authorities staged in the air above Ryechon area a parachuting exercise to infiltrate into the strategic depths of the northern half of Korea and a war game for "commandoes" occupation of certain areas and surprise attack on targets round the clock on November 8.

All the facts show well that the U.S. imperialists and the South Korean authorities are deliberately scheming to increase the danger of war behind the scene of dialogue.

U.S. Criticized for 'Criminal Act Against Cuba'

SK1811090590 Pyongyang KCNA in English 0818 GMT 18 Nov 90

[Text] Pyongyang November 18 (KCNA)—The U.S. imperialists decided to ban third countries' export to Cuba, which is another sinister criminal act against Cuba and an anachronistic desperate effort of the ringleader of imperialism who takes no notice of the international law and relations, says NODONG SINMUN in a signed commentary today.

Recalling that the U.S. imperialists' continued anti-Cuba moves suffered a shameful defeat each time, the daily goes on:

The U.S. imperialists' foolish attempt to isolate Cuba on the international arena with political and diplomatic pressure and the wild design of the U.S. ruling quarters to realize their "peaceful transition" strategy through ideological and cultural offensives against this country do not go down with anyone.

The Cuban people, closely rallied around the Communist Party of Cuba headed by Comrade Fidel Castro, are advanning without vacillation along the road of socialism, a road of justice chosen by them, while smashing the U.S. imperialists' ceaseless anti-Cuba campaign at every step. Socialism, rooted deep in the land of Cuba, is emerging victorious and the revolutionary faith and will of her people are becoming solid.

Today the U.S. ruling quarters, advertizing about "changed international circumstance", are mobilizing allied anti-socialist forces in attacking socialist Cuba advancing under the banner of revolution.

For instance, they are now trying to inveigle other countries into economically "blockading" Cuba.

However, their economic blockade is sure to meet a fiasco as in the past.

No force in the world can break the revolutionary faith and will of the Cuban people who advance victoriously, braving all difficulties. They will as ever invariably uphold the banner of socialism, the banner of revolution, which they held aloft.

The base moves of the U.S. imperialists against the Cuban people and its revolution must be stopped at once.

Second Negotiations With Japan Held in Beijing

SK2011043290 Pyongyang Domestic Service in Korean 2100 GMT 17 Nov 90

[Text] As part of government-to-government negotiations between the DPRK and Japan over setting up diplomatic relations, a second round of preliminary talks between the director-level officials of the foreign ministries of the two countries was held in Beijing on 17 November.

Our side's delegation, headed by Chu Chin-kuk, director of the Foreign Ministry, and a Japanese delegation headed by Tanino Sakudaro, director of Asian affairs at the Japanese Foreign Ministry, attended the talks.

After a serious discussion at the talks, the two sides reached an agreement on a few issues related to convening the full-dress government-to-government talks for normalizing Korea-Japan [Choil] relations.

The two sides also agreed to discuss and settle a few issues they have not been able to agree on at the third preliminary talks to be held in Beijing at some appropriate time during December.

Following the talks, the head of our delegation answered questions at a news conference.

Japanese Citizens 'Demand' Diplomatic Relations

SK1911061590 Pyongyang KCNA in English 0455 GMT 19 Nov 90

[Text] Tokyo November 17 (KNS-KCNA)—A meeting of Kyoto citizens was held on November 14 to demand the establishment of Japan-Korea diplomatic relations.

Speaking at the meeting, Yukio Takemura, chairman of the Kyoto prefectural headquarters of the Japan Socialist Party [JSP], said that the normalization of relations between Japan and Korea is the desire of the peoples of the two countries and an urgent requirement of the time.

Makoto Tanabe, vice-chairman of the Central Executive Committee of the JSP, gave a lecture on the subject "new era which begins with three party joint declaration of Japan and Korea" at the meeting.

Pointing out that the joint declaration of the three parties opened a new era of Japan-Korea relations, he stated that the Japan-Korea diplomatic relations should be established at an early date.

As the Japanese Government has repeatedly said that it wants to normalise the relations as soon as possible without any preconditions, he stressed, there is no reason why it should delay it now. He demanded that the Japanese Government approach the negotiations on establishing diplomatic relations with sincerity.

He said that Japan-Korea diplomatic relations should be established at an early date through the powerful people's movement and the movement for supporting the reunification desired by the Korean people should be conducted more widely.

An appeal was adopted at the meeting.

The appeal held that in order to normalise the Japan-Korea relations, Japan should apologize and indemnify the Korean people for their misfortunes and sufferings during its colonial domination and the post-war 45 years.

The Japanese Government should discard its hostile policy toward the Democratic People's Republic of Korea and guarantee all the rights of the Koreans residing in Japan, it said. It called for launching a great popular movement to build up broad public opinion for the guarantee of the human rights, national rights and legal status of the Koreans in Japan, the early establishment of Japan-Korea diplomatic relations, the independent and peaceful reunification of Korea and the correct implementation of the three party joint declaration.

A lecture on this joint declaration was given in Tokyo on the same day.

Kim Tal-hyon Meets Japanese Trade Group

SK1711121790 Pyongyang KCNA in English 1047 GMT 17 Nov 90

[Text] Pyongyang November 17 (KCNA)—Vice-premier Kim Tal-hyon today met and conversed in a friendly atmosphere with the delegation of the Japan-Korea trade association led by Yoichi Tani, chairman of the association, vice-chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship and member of the House of Representitives, at the Mansudae Assembly Hall.

On hand was Yi Song-nok, chairman of the Committee for the Promotion of International Trade of the Democratic People's Republic of Korea.

Kim Yong-sun Meets JSP Korean Affairs Group

SK1911070790 Pyongyang KCNA in English 0507 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea, at the Mansudae Assembly Hall Sunday met and had a friendly conversation with the delegation of the Committee for Measures on the Korean Affairs of the Japan Socialist Party [JSP] headed by member of the House of Representatives Yuzuru Shimazaki, director of its secretariat.

Yi Chong-ok Attends Syrian Embassy Reception

SK1711051890 Pyongyang KCNA in English 0441 GMT 17 Nov 90

[Text] Pyongyang November 17 (KCNA)—Syrian Ambassador to Korea Yasir Farah hosted a reception here Friday evening on the occasion of the 20th anniversary of the corrective movement in Syria.

Vice-President Yi Chong-ok, Representative Cho Il-min of the Pyongyang mission of the South Korean National Democratic Front and foreign diplomatic envoys here were present on invitation.

Referring to the friendly relations between Syria and Korea, Ambassador Yasir Farah said in his speech that the Workers' Party, the government and the people of Korea are standing on the side of the Syrian people in the struggle against the zionists.

Expressing full support to the reasonable and realistic overtures for reunification including the proposal for founding the democratic confederal republic of Koryo advanced by the great leader Comrade Kim Il-song, he stressed that Syria firmly trust the Democratic People's Republic of Korea as the sole legitimate state of the Korean people.

Speaking next, Minister of Finance Yun Ki-chong who is chairman of the Korea-Syria Friendship Association said that the corrective movement in Syria 20 years ago under the guidance of Hafiz al-Asad, the leader of advance and the fighter, marked an event of weighty significance in the struggle of the Syrian people for the building of a new life.

She said that the Korean people extend full support and solidarity to the Syrian people in the righteous struggle against the aggressive and interventionist manoeuvres of the imperialists and Zionists, and for the restoration of the occupied Arab lands.

Recalling that the Korean people forged bonds of friendship with the fraternal Syrian people on the road of common struggle against the imperialists and their stooges and have consistently consolidated and developed them, she declared: We will make every possible effort to consolidate and develop these relations still further.

Syria's Corrective Movement Commemorated

SK1911111390 Pyongyang KCNA in English 1053 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—A film show and friendship gathering were held today at the Korea-Syria Friendship Pyongyang Silk Mill on the occasion of the 20th anniversary of the corrective movement in Syria.

Invited there were Syrian Ambassador to Korea Yasir Farah and his embassy officials and Syrian students studying here.

After watching a Syrian documentary film the participants talked to each other in a friendly atmosphere.

Then, the guests saw an art performance given by workers of the mill.

Cultural Delegation Departs for Syria, Egypt

SK1911110790 Pyongyang KCNA in English 1052 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—A DPRK Government cultural delegation led by Vice-Chairman Pak Tong-chun of the Comittee for Cultural Relations With Foreign Countries flew here today to visit Syria and Egypt.

Kim Il-song Receives Burundian Delegation

SK1911110290 Pyongyang KCNA in English 1047 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—The great leader President Kim Il-song today received the visiting government delegation of the Republic of Burundi headed by Cyprien Mbonimpa, minister of external relations and cooperation.

Present on the occasion were Vice-Premier and Foreign Minister Kim Yong-nam, Minister of External Economic Affairs Chong Song-nam and Burundi Ambassador E.P. to Korea Tharcisse Ntakibirora.

The head of the delegation handed to President Kim Il-song a personal letter and gift of President Pierre Buyoya of the Republic of Burundi.

President Kim Il-song expressed thanks for this and had a conversation with the guests in a cordial and friendly atmosphere.

Delegation Departs 20 Nov

SK2011110490 Pyongyang KCNA in English 1018 GMT 20 Nov 90

[Text] Pyongyang November 20 (KCNA)—The Burundi Government delegation led by Cyprien Mbonimpa, minister of external relations and cooperation, left here today, successfully concluding its Korean visit which it paid upon the invitation of the DPRK Government.

It was seen off at the airport by Vice-premier and Foreign Minister Kim Yong-nam and other officials concerned.

The delegation, which arrived here on Nov. 16, laid a wreath in the revolutionary martyrs' cemetery on Mt. Taesong, went round the tower of the chuche idea, the West Sea barrage, the May Day Stadium, Kwangbok Street and other places during its stay.

Members of the delegation saw a circus show.

Foreign Minister Greets Mongolian Counterpart

SK1711121290 Pyongyang KCNA in English 1046 GMT 17 Nov 90

[Text] Pyongyang, November 17 (KCNA)—DPRK Foreign Minister Kim Yong-nam sent a message of greetings to Tserenpiliyn Gombosuren upon his appointment as minister of external relations.

The message wished success in the work to consolidate and develop the friendly and cooperative relations between the two countries.

KCNA Reviews 20 Nov Pyongyang Press

SK2011045590 Pyongyang KCNA in English 0428 GMT 20 Nov 90

[Text] Pyongyang November 20 (KCNA)—Papers here today give frontpage prominence to a photo-accompanied report that the great leader President Kim Il-song received the government delegation of the Republic of Burundi.

President Kim Il-song of the Democratic People's Republic of Korea received a message from President Arpad Goncz of the Hungarian Republic in reply to his message of greetings on the occasion of the day of the proclamation of the Hungarian Republic, according to the press.

An article of NODONG SINMUN says that President Kim Il-song established the socialist system that looks after the health of people with responsibility.

Dear Comrade Kim Chong-il received a gift from the president of the Republic of Burundi, says the press.

MINJU CHOSON runs an article saying that Comrade Kim Chong-il has scrupulously looked after the party members and working people so that they may have the spirit of absoluteness and unconditionality toward the party policies.

NODONG SINMUN reports that a work of Comrade Kim Chong-il was deeply studied in Tanzania.

Given in the paper is an account of a national meeting held to mark the 45th birthday of the Korean Democratic Women's Union.

Students and teachers of the Kim Chaek University of Technology vowed to form a technical innovation group and go to the Komtok Mining Complex, the university awarded a diploma of graduation to martyr Han Yonghyon of South Korea who was registered as an honorary student and a meeting of the employees of the General Bureau of Western Railways to transport more freight was held, says the press.

Economic news of the press includes reports that the General Bureau of Ferrous Mining Industry continues to expand success in the production of minerals and the construction of the Sariwon Potassic Fertilizer Complex is being stepped up.

"Our Socialism Is Social System That Fully Meets the Intrinsic Demands of Creative Human Being" and "Tradition of Single-hearted Unity Which Is Firmly Consolidated Generation After Generation" are the titles of respective articles of NODONG SINMUN and MINJU CHOSON.

Carried in the press are words of the world public lauding the superiority of our socialist system.

Appearing in the press is a statement of a spokesman for the Foreign Ministry of the Democratic People's Republic of Korea denouncing the "joint communique" released at the end of the 22nd "South Korea-U.S. Annual Security Consultative meeting" between the U.S. and the South Korean authorities.

The Central Committee of the Red Cross Society of the DPRK sent a message of sympathy to the Red Cross of the Philippines in connection with a loss caused by a typhoon in the central part of the Philippines, the press reports.

Given in the press is an account of a press conference called by the chief of the Pyongyang mission of the South Korean National Democratic Front (Hanminjon) in connection with the ruling crisis of the No Tae-u military fascist "regime".

A commentary of NODONG SINMUN condemns the South Korean authorities for suppressing the just demand of the South Korean farmers for the increase of the grain purchase price and other vital rights.

South Korean news columns of the press include reports that many books on the reunification question were off the press in South Korea and that a South Korean newspaper criticizes the anti-popular "law".

A NODONG SINMUN article charges that the No Tae-u group is intensifying the suppression of people under the signboard of "war against crimes".

The paper informs the readers that the Chinese PEOPLE'S DAILY carried an article titled "Let Us Bring Superiority of Socialism Home to People", developing countries are expanding cooperation in various domains and that drug trafficking is prevalent in Moscow.

Given in the press is news that the head of state of Libya voiced support to the struggle of the Palestinians, the prime minister of Pakistan called for a hard struggle for the development of the country, the general secretary of the South African Communist Party vowed to strengthen the anti-racist struggle and preparations for Pan-American Games are in full swing in Cuba.

NODONG SINMUN comes out with an article saying that the arrow of aggression is being directed against Korea by the U.S. imperialists.

Meeting Commemorates Public Security Organ

SK1911064390 Pyongyang KCNA in English 0501 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—A national meeting was held here Sunday to commemorate the 45th anniversary of the foundation of the public security organ.

A congratulatory message of the Central Committee of the Workers' Party of Korea [WPK] to officials of the public security organ was read out at the meeting.

Noting that the public security organ which was founded after the liberation of the country on the basis of the revolutionary traditions established by the great leader Comrade Kim Il-song during the anti-Japanese revolutionary struggle has traversed the path of heroic struggle and brilliant feats and made immortal contributions to accomplishing the revolutionary cause of chuche under the wise guidance of the party and the leader over the past 45 years, the message highly estimated the brilliant feats performed by the public security organ.

Paek Hak-nim, minister of public security, made a report at the meeting.

He said that with the founding of the Public Security Bureau, the central security organ, on November 19, 1945, the historical cause of founding the public security organ was brilliantly accomplished.

Pointing out that the public security work has been further strengthened and developed by dear Comrade Kim Chong-il, he said that the public security organ has now become a reliable political guard of the party which firmly defends and safeguards the party and the leader politically and ideologically, with lives in any adversity and has been strengthened and developed into a true revolutionary weapon of our party which carries on public security work as intended by the party.

Present at the meeting were Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee, and officials concerned.

Paek Hak-nim Addresses Meeting

SK1911144490 Pyongyang Domestic Service in Korean 0700 GMT 18 Nov 90

[Speech by Paek Hak-nim, minister of public security, at the central report meeting to commemorate the 45th anniversary of the founding of the public security organ, held in Ponghwa Art Theater in Pyongyang on 18 November—recorded]

[Text] [Begin recording] Today we are causing an unprecedented upsurge in the struggle for socialist construction and national reunification by upholding the historic policy speech made by the great leader Comrade Kim Il-song at the first session of the Ninth Supreme People's Assembly [SPA]. We are also upholding the decisions of the 17th plenary meeting of the sixth party Central Committee. Under these majestic circumstances, we are significantly commemorating the 45th anniversary of the founding of the public security organ.

Forty-five years have passed since our party and our people came to have a public security organ on the path of the sacred struggle to accomplish the chuche revolutionary cause. For the past 45 years, the public security organ has traversed along the path of proud victory under the wise leadership of the party and the leader. It has made brilliant and immortal achievements in the nation's history. [applause]

We are splendidly marking the 45th anniversary of the founding of the public security organ in the first year of the significant nineties. We, who are firmly resolved to be permanently loyal to the great leader and to dear Comrade leader in the future as in the past, are recalling with deep emotion the glorious path along which the public security organ has traversed and its achievements in the struggle.

The cause of building a chuche-oriented public security organ in our country has been brilliantly implemented by the great leader Comrade Kim Il-song and has been extensively supplemented by the dear leader Comrade Kim Chong-il. [applause]

In personally shouldering the destinies of the fatherland and the people since he embarked on the revolutionary path in the early days, the great leader Comrade Kim Il-song regarded the issue of building a revolutionary dictatorial organ of the working class as an important issue which is linked to the fate of the revolution. He has provided a firm, deep historic root for building a public security organ and its activities in the midst of flames out of the anti-Japanese armed struggle.

The great leader Comrade Kim Il-song, who triumphantly returned to the fatherland by achieving the historic cause of national liberation, founded the party. After this, he wisely organized and led the work of founding a public security organ which will defend the party and the revolution and safeguard the interests of the working masses of the people. It will do this based on the precious historic root which was planted during the anti-Japanese revolutionary struggle.

With deep insight into the urgent demand that our developing revolution has raised, the great leader Comrade Kim Il-song advanced the policy of founding a public security organ immediately after the nation's liberation. He wisely organized and led the struggle to realize it. He finally founded the Public Security Bureau, the central security organ, on 19 November 1945, thus brilliantly achieving the historic cause of founding the public security organ. [applause] [end recording]

The speaker referred to the fact that the great leader had indicated a bright way for our public security organ to advance in every period of the developing revolution and had wisely led it to brilliantly perform the revolutionary tasks assigned by the party.

The speaker mentioned with great pride the fact that the dear leader Comrade Kim Chong-il had presented his conception of causing great revolutionary upsurges in public security work and had energetically led the struggle to realize it.

Noting that the party's leadership system had been firmly established in the work of the public security organ, the speaker went on to say:

[Begin recording] Indeed, the past 45 years of the public security organ form a glorious history which has been embroidered with the outstanding and tested leadership of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il. They have strengthened and developed the public security organ into a reliable defense unit of the chuche revolutionary cause and have led public security work along the single path of triumph. [applause]

With the boundless reverence and sentiments of loyalty of all public security functionaries, I respectfully extend the greatest honor and warmest thanks to the great leader of our party and people, Comrade Kim Il-song, and to the dear leader, Comrade Kim Chong-il, who have given us the honor of being the political defenders of the party and who have led the public security organ along the single path of victory and glory. [applause and shouts]

In upholding the tasks assigned in the historic letter from the dear comrade leader and the congratulatory message from the party Central Committee, our public security functionaries should actively contribute to making the 1990s shine as the decade of national reunification. They should do this by causing a revolutionary turn in public security work in conformity with the demands of the prevailing situation.

With a death-defying resolve to share their fate with the party, the public security functionaries should more firmly prepare themselves to be the fighters of the loyal guard unit who defend the party and the leader with their lives as human bombs and shields.

The public security functionaries should accept and execute the party's lines and policies on the principle of absoluteness and unconditionality, keenly watch how they are implemented in all fields and at all units, and staunchly struggle against such phenomena as hindering their implementation.

In particular, they should vigorously struggle to [word indistinct] the implementation of the economic policy, thus reliably guaranteeing the creative struggle of workers to attain the grand goals for socialist economic construction in the 1990s.

The public security organ should organize and conduct all projects thoroughly according to the party's policy and directives. It should establish a strict order in which it reports to the party the important problems of principle in public security work and in which it deals with them according to the party's conclusion.

Serving the people is a revolutionary obligation of the public security functionaries. The public security functionaries should uphold the party's slogan "Public security functionaries, let us become the faithful servants of the people." They should correctly establish their outlook on serving the people, serve them everywhere and at all times, and struggle to defend their interests.

Today's situation demands that the public security functionaries further increase their revolutionary alertness more than ever and maintain an alert and mobilized posture.

In conformity with the demand of the prevailing situation, the public security functionaries should establish a firm discipline among themselves, assiduously prepare a combat mobilization stance, and work and live always in an alert and militant manner.

The public security functionaries should strengthen their party organizational life; discipline themselves in a revolutionary manner through revolutionary practice; enhance the party-minded, the working class-minded, and the people-minded spirit; trust and follow only the party and the leader everywhere and at all times, and firmly prepare themselves to be faithful subjects and [word indistinct] who can devote themselves to fighting for the party and the leader.

There will be only victory and glory before those of us who advance under the wise leadership of the great leader and the dear comrade leader.

Let all of us vigorously fight for the victory of the socialist and communist cause—the chuche revolutionary cause—in firm unity around the great leader and the dear comrade leader, upholding the revolutionary banner of the chuche idea. [applause] [end recording]

WPK Salutes Security Officials

SK1911154490 Pyongyang Domestic Service in Korean 0700 GMT 18 Nov 90

["Congratulatory message" from the Workers Party of Korea (WPK) Central Committee to functionaries of the public security organ at the central report meeting to commemorate the 45th anniversary of the founding of the public security organ held in Ponghwa Art Theater on 18 November, read aloud by Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee—portions recorded]

[Text] [Begin Kye recording] To functionaries of the public security organ:

By upholding the banner of socialism—the banner of chuche—the entire party and all the people are vigorously struggling to win a new victory in the revolution and construction while smashing the imperialists' anti-socialist maneuvers. Under these majestic circumstances, we are significantly commemorating the 45th anniversary of the founding of the public security organ.

On the occasion of the 45th anniversary of the founding of the public security organ, the WPK Central Committee extends warm congratulations to all public security functionaries who devotedly struggled to defend and protect the party and the leader as reliable political defenders of our party and as genuine servants of the people, and who struggled to safeguard the lives and property of the people. [applause]

The great leader Comrade Kim Il-song founded a public security organ after the nation's liberation based on the glorious revolutionary tradition, which he realized during the period of anti-Japanese revolutionary struggle. Thus, a new type of chuche-oriented revolutionary dictatorial organ was formed, and our party and our people came to have, for the first time in history, a genuine political defender of the party and a defender of the people. They politically defend the party and the revolution and safeguard the lives and property of the people. [end recording]

The congratulatory message points out that under the wise leadership of the party and the leader, the public security organ traversed along the path of heroic struggle and brilliant exploits for the past 45 years. It made great contributions in carrying out the chuche revolutionary cause. The message continues:

[Begin Kye recording] Indeed, the path along which the public security organ traversed for the past 45 years is the history of brilliant exploits in which it reliably safeguarded our party's cause and the lives and property of the people by thoroughly crushing the various maneuvers of the class enemies and criminals. This path is a course of loyalty in which the public security organ tenaciously and always defended the party and the leader and devotedly struggled for the victory of the chuche revolutionary cause. [applause]

In the course of waging arduous yet rewarding struggle under the party's leadership for a long time, the public security organ has been strengthened and developed into an indomitable rank with rich experiences in struggle and with lofty militant spirit.

The WPK Central Committee highly appraises the brilliant achievements in the struggle that the public security organ has made with endless loyalty to the party and to the revolution in its entire course. [applause]

The great leader Comrade Kim Il-song has taught: The public security organ is a proletarian dictatorial organization, and functionaries of the public security organ are the revolutionary fighters who are struggling to defend and protect the party and sovereignty of the working class.

It is the essential duty of the public security organ to politically defend the party and the leader firmly. Functionaries of the public security organ should defend and protect the party and the leader even at the risk of their own lives.

By accepting the party's lines and policies with the principle of absoluteness and unconditionality, public security functionaries should keenly watch [yerihage kamsihada] all domains and all units, so that the party's lines and policies can be thoroughly executed. They should wage powerful struggle against all phenomena that disturbs this execution.

Thoroughly maintaining the social order is the fundamental duty which the public security organ should permanently fulfill.

The public security organ should direct great strength to ensuring that all workers have the social order and conditions in which they can freely enjoy the independent and creative lives without knowing any anxiety and worry.

The public security work is a work to safeguard the security of the people. Only by inspiring a broad range of the masses, can this work be carried out successfully. The public security functionaries should thoroughly implement the revolutionary work method of resolving all problems raised in public security work by trusting the masses and by inspiring the masses. In so doing, they should firmly turn the public security work into a mass work.

It is a revolutionary mission of public security functionaries to serve the people. As faithful servants of the people, the public security functionaries should correctly establish the chuche-oriented outlook on the masses, should devotedly serve the people, and should tenaciously struggle to safeguard the people's interest.

The public security functionaries should strengthen the party's organizational life. Through revolutionary practice, they should discipline themselves in a revolutionary manner. They should become genuine loyalists and defenders who always trust and follow the party and who fight by dedicating their lives to the party and the leader.

The party's leadership is the firm basis for all activities of the public security organ. The public security organ should firmly establish the work system to accomplish entirely the party's policies by upholding the party's leadership and by accepting the party's policies as the most just ones. Thus, they should carry out all work under the party's leadership.

The WPK Central Committee firmly believes that all public security functionaries will excellently fulfill the mission as political defenders of the party and as servants of the people in firm unity with the party and the leader. Thus they will repay the lofty trust and expectations of the party. [applause]

The WPK Central Committee

[dated] 18 November 1990 [applause] [End recording]

Yi Chong-ok Attends Women's Union Report Meeting

SK1911045890 Pyongyang Domestic Service in Korean 0900 GMT 18 Nov 90

[Excerpts] A central report meeting to mark the 45th anniversary of the founding of the Korean Democratic Women's Union was held on the afternoon of 18 November at the People's Palace of Culture. [passage omitted]

Comrade Yi Chong-ok, Central Committee Political Bureau member of the Workers' Party of Korea [WPK] and vice president; Kim Pok-sin, alternate member of the Political Bureau of the WPK Central Committee and State Administration Council vice premier ; Comrade Kim Chung-nin, secretary of the Central Committee of the WPK; responsible functionaries of social organizations; anti-Japanese revolutionary fighters; and other functionaries concerned participated in the report meeting with the functionaries and members of the Korean Democratic Women's Union of Pyongyang.

The report meeting started with the singing of the Marshal Kim Il-song song. Kang Chom-suk, secretary-general of the Central Committee of the Korean Democratic Women's Union, made a commemorative report at the meeting. [passage omitted]

National Meeting Marks Red Flag Anniversary

SK1911115690 Pyongyang KCNA in English
0956 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—A national meeting to mark the 15th anniversary of the start of the three-revolution Red Flag Movement was held at the Youth Central Hall Sunday.

Present there were Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and vice-president; Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee; and other senior officials of the party and the government, officials concerned and winners of the three revolution red flag.

Choe Tae-pok, alternate member of the Political Bureau and secretary of the WPK Central Committee, delivered a report.

Saying that dear Comrade Kim Chong-il put forward the revolutionary policy of dynamically conducting the three-revolution Red Flag Movement under the slogan "Let us meet the requirements of chuche in ideology, technology and culture!" in November 1975, and gave a historic start in the movement, the reporter continued:

Dear Comrade Kim Chong-il gave a comprehensive exposition of the theoretical and practical questions arising in conducting the three-revolution Red Flag Movement including its essence, purpose and central task and ways in order to vigorously wage the movement in keeping with the requirements of the developing reality.

The three-revolution Red Flag Movement is an all-people mass movement to step up the building of socialism and communism through the three revolutions, ideological, technical and cultural, to meet requirements of the modelling of the whole society on the chuche idea.

The movement is a mass movement of the highest form which set it as its fighting goal to model the whole society on the chuche idea, the supreme program of our party, and is organising and mobilising the whole party and the entire people for its realisation.

The movement is a chuche-based mass movement with the great chuche idea as ideological basis, reflecting the unanimous desire and demand of our people to accelerate the revolutionary cause of chuche; it is the unique communistic mass movement of our style which applies the principle of the speed campaign and the ideological campaign and organically combines the ideological remoulding of people and collective innovations in economic and cultural construction, so as to strengthen the internal revolutionary forces and step up the revolution and construction at a fast speed.

5,736 units of the country won the three-revolution red flag, 249 units won it twice and 459,530 party members and working people became the three-revolution standard-bearers up to now since the beginning of the movement.

In the heat of the movement a radical change has taken place in the people's way of thinking and their style of work, the revolutionary zeal of people increased sharply and the revolution and construction have been accelerated at a fast tempo, thereby increasing the might of our socialism beyond comparison.

With the ideological revolution being dynamically stepped up, the monolithic ideological system of the party has been firmly established in the whole society, the loyalty of the party members and working people to the party and the leader intensified and the political and ideological unity and cohesion of the whole party and whole society consolidated.

With the technical revolution being pushed ahead, the level of mechanisation and automation of production processes at factories and enterprises was enhanced and the material and technical foundations of rural economy strengthened, and this resulted in reducing toilsome work in all domains of the national economy and registering a big success in production and construction.

A signal success was reported in the cultural revolution as well.

The level of the technique and skill of working people has risen as a whole and great progress has been made in the assimilation of the whole society to the intelligentsia. In the past 15 years alone hundreds of thousands of technicians and specialists were produced and the question of native cadres was solved more sufficiently.

The reporter pointed to the tasks to steadily develop in depth the three-revolution Red Flag Movement, the powerful driving force of the ideological, technical and cultural revolutions, and ways to carry them out.

Officials Attend Red Flag Meeting

SK1911050090 Pyongyang Domestic Service
in Korean 1000 GMT 18 Nov 90

[Excerpts] A central report meeting to mark the 15th anniversary of the launching of the movement to win the red flag of three revolutions, was held on the afternoon of 18 November at the Central Hall of Youths. [passage omitted]

Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and vice president; Comrade Kye Ung-tae, member of the Political Bureau of the Central Committee of the WPK and secretary of the party Central

Committee; Comrade Choe Tae-pok, alternate member of the Political Bureau of the Central Committee of the WPK and secretary of the party Central Committee; Comrade Kim Pok-sin, alternate member of the Political Bureau of the Central Committee of the WPK and vice premier of the State Administration Council; Comrades Kim Chung-nin and So Kwan-hui, secretaries of the Central Committee of the WPK; Comrade Chang Chol, vice premier of the State Administration Council; members and alternate members of the Central Committee of the WPK; responsible functionaries of the central institutions; other functionaries concerned; and standard bearers of the three revolutions, participated in the report meeting. [passage omitted]

Red Flag Movement Gaining Depth

SK2011001290 Pyongyang KCNA in English 2221 GMT 19 Nov 90

[Text] Pyongyang November 19 (KCNA)—The three revolution Red Flag Movement is gaining in depth in Korea.

Over the last 15 years some 6,000 units have won the three-revolution red flag once or twice according to data available.

In this period, some 1,300 heroes and 15,500 unassuming merited people have been produced.

More than 60,000 valuable technical innovation proposals were introduced into production every year so that industrial establishments have been modernized still further and the material and technical foundations of the rural economy further strengthened.

New scientific fields were found and a large number of up-to-date machines and equipment such as a 10,000-ton press, 6,000 cubic metre oxygen plant, digital control machine tools and thousands of robots, have been developed and introduced.

A great upsurge has been effected in production and construction so that hundreds of enterprises, factories, workshops and workteams carried out their assignments of the Third Seven-Year Plan (1987-1993) more than three years ahead of schedule.

Through the cultural revolution, the knowledge of all the working people has reached the level of the graduates of senior middle school and 1,460,000 intellectuals have been produced.

The three revolution red flag movement, which started in November, 1975, is an all-people mass movement to accelerate the socialist construction through the three revolutions, ideological, technical and cultural.

Woman of Japanese Descent Becomes WPK Member

SK1811092490 Pyongyang KCNA in English 0844 GMT 18 Nov 90

[Text] Pyongyang November 18 (KCNA)—NODONG SINMUN today carries a story that woman Yi Chun-hui 77 years old this year received a party certificate of the Workers' Party of Korea [WPK].

The woman came to Korea at the age of 19 before the liberation of Korea and got married with a Korean doctor. She has led a worthwhile life together with the Korean people, taking an active part in a socio-political life as a citizen of the Democratic People's Republic of Korea after the liberation.

She sent a letter of thanks to dear Comrade Kim Chong-il in June last year.

Her ardent desire was to live as a member of the Workers' Party of Korea.

She made an application for accession to the Workers' Party of Korea with her determination to sincerely repay the benevolent solicitude of the DPRK as a party member.

The organisation concerned accepted her application to discuss her membership of the WPK and admitted her to the Workers' Party of Korea.

A meeting awarding a party certificate of the Workers' party of Korea to woman Yi Chun-hui was held a few days ago at the Potonggang District Committee, Pyongyang, of the WPK.

She said that "although I am a Japanese, born in Japan, my motherland is the bosom of the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il, that of the Democratic People's Republic of Korea."

Daily Stresses Socialism Meeting Demands of Man

SK2011110090 Pyongyang KCNA in English 0958 GMT 20 Nov 90

[Our Socialism Is a Social System Fully Meeting Intrinsic Demand of Creative Man—KCNA headline]

[Text] Pyongyang November 20 (KCNA)—NODONG SINMUN in an article today stresses that our socialism is a social system fully meeting the intrinsic demand of creative man.

The author of the article says:

What holds an important place in the idea and theory on the superiority of socialism of our style expounded by our party is the idea and theory that our socialism fully meets the intrinsic demand of man, a creative social being.

Dear Comrade Kim Chong-il has taught:

"Our socialism fully meets the intrinsic demand of man, a creative social being"

Our party guided by the great chuche idea has won a shining victory in building socialism by directing great efforts to heightening the creative ability and increasing the role of man and successfully solving this problem and has built on this land a powerful and viable socialism, a society in which the creativity of man is applied and the creative power of the popular masses is given full play.

Under our socialism in which the intrinsic demand of man, a social being with creativity, is fully met, first of all, the work of bringing up all the members of society as men of communist type with sound ideological consciousness and high creative ability is powerfully promoted.

Now, in our country, all the lines and policies of the party and the state are entirely devoted to guiding all the members of society to creditably fulfil the role of the masters of the state and society, the masters of revolution and construction, and bringing them up as men of communist type with high independent consciousness and creative ability.

In our country natural and social sciences, education, art and literature, and health care are developing incessantly on a high level to give a full scope to the superiority of the socialist system by heightening the creative ability of the popular masses.

The superiority and vitality of our socialism that fully meets the intrinsic demand of man, a creative social being, are powerfully demonstrated in solving all problems arising in accelerating the revolution and construction by means of enlisting the creative power of the masses.

Our party created the great Chongsanri spirit and Chongsanri method and thus performed undying feats in the cause of building socialism in which the creativity of human being is fully displayed and the creative power of the popular masses is brought into full play.

In the course of applying the great spirit and method in an all-round way ours turned into a most solid and viable society where guidance is closely combined with the masses, and the officials with the producers, and everything is resolved through the work with man, by political method of work.

Another main reason why our socialism is a society that fully meets the instrinsic demand of man, the creative social being, is that the whole society is overflowing with the noble spirit of collectivism.

Our socialist society is a society where collectivism is its life and soul, a society of single-hearted unity where the leader, the party and the masses are closely united as the socio-political integrity. Today in our country all the working people are leading a worthy life as members of organisations and the collective and work sincerely for the party and the revolution, pooling their strength and wisdom.

Thus ours is a most powerful and viable socialism that fully meets the intrinsic demand of man, a creative social being.

Pak Song-chol Attends Rally With Workers

SK1911021090 Pyongyang Domestic Service in Korean 2100 GMT 14 Nov 90

[Excerpt] A rally of the workers of the 4 June Rolling Stock General Plant to thoroughly implement the party's intention of increasing the production of freight cars was held on 13 November on the spot.

Comrade Pak Song-chol, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice president, participated in the rally with the workers of this plant [passage omitted].

South Korea

Decision on UNCMAC Leadership Defended

SK2011100790 Seoul YONHAP in English 0916 GMT 20 Nov 90

[Text] Seoul, Nov. 20 (OANA-YONHAP)—A South Korean government official said on Tuesday there was no basis for North Korea's reported opposition to a Korean general being named head delegate of the United Nations Command Military Armistice Commission (UNCMAC) and "there exist no legal problems."

"Article 2 of section 20 of the armistice agreement calls for the commander of the U.N. command to nominate five military armistice commissioners but does not specify their nationality, only their rank," said a Foreign Ministry official who declined to be named.

Defending the legality of the decision made at the 12th Korea-U.S. military committee meeting, he said, "the South Korean forces have taken part in the commission as a member of the U.N. representatives since the 38th MAC meeting in March 1954."

Single Declaration Hoped For at Dec N-S Talks

SK1611132290 Seoul YONHAP in English 1223 GMT 16 Nov 90

[Text] Seoul, Nov. 16 (YONHAP)—South Korea has decided to propose North Korea in the forthcoming prime ministers talks to adopt a single declaration that covers both nonaggression and bilateral exchanges, a senior government official said Friday.

The decision was reached in a joint meeting Friday of delegates to the inter-Korean prime ministers talks and relevant Cabinet ministers, which discussed the South's position toward the North's call for preliminary meetings for the third round of prime ministers talks slated to be held Dec. 11 in Seoul.

Participants of the meeting agreed that the South should accept a nonaggression pact only when the North agrees to such security devices as formation of a joint military committee to monitor how the pact is observed and avoidance of an attempt to link it to withdrawal of the U.S. troops from the Korean soil.

"It is our position that nonaggression and bilateral exchanges be included in a single declaration so as to deal with the two issues on an equal basis," he said.

He added that the declaration would also cover political confidence building and other pending issues. He said the South would consider designating the declaration as "South-North exchanges and nonaggression declaration" when the North insists on inserting the word "non-aggression" to its title.

North Korea has opposed Seoul's bid to pack together the two issues in a single declaration, sticking to its original demand for concluding a nonaggression declaration ahead of discussing mutual exchanges.

North Koreans Accept South Festival Invitation

SK1911082390 Seoul YONHAP in English 0754 GMT 19 Nov 90

[Text] Seoul, Nov. 19 (YONHAP)—North Korean musicians and journalists may participate in the unification Korean traditional music festival in South Korea on Dec. 9-15, one of the organizers said Monday.

An official of the Seoul Traditional Arts Troupe said North Korea recently informed him through an unofficial channel that 44 musicians and some journalists hoped to attend the festival in Seoul.

If they come as expected, they will be the first musicians from the North to attend a musical event in the South and the festival will be the second to be participated in by musicians from both the divided halves. Members of the troupe visited Pyongyang last month for a pan-national concert.

Last week, troupe Director Hwang Pyong-ki sent a letter to North Korea inviting musicians and reporters to attend the year-end festival.

Hwang, who had led a 17-member South Korean delegation to the Pyongyang concert, invited about 30 North Korean musicians and reporters in the letter, addressed to Kim Won-kyun, chairman of the Central Committee of the (North) Korean Musicians Union.

Supplementary Budget To Aid Mideast Approved

SK1811024190 Seoul THE KOREA HERALD in English 18 Nov 90 p 2

[Text] The National Assembly yesterday approved the government-proposed supplementary budget for this year which was scaled at 2,785.8 billion won without the participation of opposition lawmakers.

There was no change in the scale of the budget plan, but 50 billion won was shifted to the government rice purchase fund from other portions.

Parliamentary officials said 14 billion won was trimmed from the 100 billion won set for Korea's financial assistance to the Persian Gulf countries adversely affected by the Iraqi invasion of Kuwait; 19 billion won from the fund for rehabilitation of flood-hit areas and 17 billion won from interest for public borrowings.

Many lawmakers, particularly those from rural areas, have asked the government to purchase as much rice as possible to help farmers.

The government uses a two-tier rice price system. Every year the central government buys large amounts of newly harvested rice at higher prices and sells it to consumers at lower prices.

Legislators from the ruling as well as opposition parties have called on the government to purchase rice, Koreans' staple, at higher prices.

Speaking at the Assembly Budget-Settlement Committee which gave the green light to the budget bill earlier in the day, Deputy Prime Minister Yi Song-yun did not say how much rice the government plans to buy from farmers this fall. He said the administration could also buy rice early next year, saying that it is now short of money to buy all the rice farmers want to dispose of. He said the two-tier price system should be abolished in the future as it causes a heavy burden on the state coffers.

Security Consultative Meeting With U.S. Viewed

SK1711093990 Seoul SEOUL SINMUN in Korean 15 Nov 90 p 2

[Editorial: "ROK-U.S. Security Cooperation in the Era of Detente"]

[Text] If a war breaks out on the Korean peninsula in the future, the U.S. forces will only send militant forces and troops and, thus, the ROK forces will take much charge of the work of managing and maintaining militant troops. The relations of traditional friendship and joint security cooperation between the ROK and the United States are favorably changing in keeping with the changed situation of the times and security atmosphere. We regard this as an arrangement on the basis of equal relations and a partnership in a transition period of ROK-U.S. security cooperation.

In the 22d ROK-U.S. Security Consultative Meeting held in Washington, the ROK and the United States agreed to conclude "a treaty on wartime host nation's support" whose contents are to guarantee immediate military support for the ROK in an emergency situation on the Korean peninsula. In addition, at the meeting, it is decided that the ROK will increase defense-sharing costs year by year. And, the ROK and the United States decided to conclude an agree on a memorandum on joint production of self-propelled artillery through a revision, and they negotiated improvement of conditions to export U.S. patented-military hardware, produced in Korea, into third countries. Accordingly, current ROK-U.S. disputes have narrowed greatly.

In spite of changes and turns and twists undergone so far, the ROK-U.S. joint security relations have favorably maintained a joint defense system, cooperative relations on defense industry, and maintenance of the U.S. forces in Korea, without encroaching upon mutual defense relations. The current situation is, however, not so simple. In particular in 1990, it is true that sensitive relations have been created by the dissension over the question of phased withdrawal of the U.S. forces in Korea, the question of sharing cost for the U.S. forces, question of relocation of Yongsan base, and the question of the Korean Fighter Program. Proceeding from such a point of view, this meeting should be evaluated from the standpoint of greatly recovering the spirit of the ROK-U.S. mutual defense treaty and traditional joint security cooperative relations.

Despite the worldwide change of the U.S.-Soviet security situation, there is no change in the security situation on the Korean peninsula to speak of. As has been reported in a foreign news report, the National Defense White Paper says North Korea continues to press ahead with the program to develop nuclear weapons. What is still worse, North Korea has not given up a separated hegemony, not changing its plan to deploy attacking military forces along the armistice line. Even in the question of the North-South arms cuts according to the international trend of detente, North Korea has not shown its sincerity. In addition, North Korea has constantly demanded withdrawal of the U.S. forces in Korea and discontinuation of the "Team Spirit" exercise.

Although the U.S. side announced its policy of reducing the U.S. forces in Korea, accordingly, we should share more the defense cost burden. We do, however, still need the U.S. forces in Korea. The U.S. forces in Korea have not only contributed to deterring an outbreak of war on the Korean peninsula, but has also been symbol of the ROK- U.S. joint security cooperation in Asia as well as in the world. In addition, the great important task—arms cuts between the North and the South—presupposes that the U.S. forces deter North Korea from triggering a war on the Korean peninsula.

North Korea still has not changed its strategy against South Korea. In other words, this means that the danger of an outbreak of war by North Korea still exists. Thus, the U.S. forces in Korea cannot be an indispensable existence as a war deterrent. Judging from the present military situation between the North and the South, the scale-down of the "Team Spirit" exercise may be understandable, but its entire discontinuation would be premature.

As is pointed out in a joint statement, the ROK and the United States would exchange frank demands and positions. As for the ROK, it should take the attitude that "it should realize a self-defense system of the ROK defense," and, the United States should contribute to the security of East Asia and the Korean peninsula from the standpoint of world strategy. In this course, the ROK-U.S. joint security cooperation will be firmer.

U.S. 'Rude' During Washington Security Meeting

SK1811093590 Seoul CHUNGANG ILBO in Korean 17 Nov 90 p 3

[Article by social desk reporter Yi Man-hun in Washington from the "Reporter's Diary" column: "Cold Shoulder Korea Received in the United States"]

[Text] In the course of covering the 22d annual ROK-U.S. Security Consultative Meeting held recently in Washington, I was very uncomfortable at the thought of the United States, our closest ally, slighting Korea.

It is well known that the 22d meeting originally was scheduled for Seoul. The United States wanted to change the venue because of unavoidable circumstances, and Korea agreed to travel to Washington instead.

Despite this, during the regular briefing at the opening of the meeting on 13 November, the U.S. State Department distorted this fact by saying, "the meeting is being held in Washington because the last meeting was in Seoul," and then mistakingly introduced our delegation's senior member as "Yi Sang-hun, the new defense minister." [bureau records show Yi Chong-ku as new defense minister]

Furthermore, when the chairmen of the Joint Chiefs of Staff of the two countries the following day reviewed the honor guards prior to their military committee meeting at the Pentagon, our reporters saw that Korea's flag was hanging upside down. Only after our reporters protested did the U.S. Defense Department properly hang it.

Can there be anything more rude? Of course, such rudeness can be excused as an inadvertent blunder.

It was hard for me, however, to shrug off the U.S. behavior merely as an unintentional mistake. A responsible department of the U.S. Administration, the U.S. State Department, gave the wrong name for the defense minister of an ally, who made a nearly 20-hour flight to Washington to discuss matters of common interest between the two countries. Moreover, the United States hung our flag upside down at the reviewing stand of the honor guard, which is supposed to be the most precise when it comes protocol.

These things aside, the U.S. Defense Department, the host office to the annual security consultative meeting, gave scant attention to the meeting in the information released to the media, treating the meeting as if it were insignificant. As a result, U.S. newspapers printed not a single line about the meeting, a striking contrast to our side's treatment of the event.

Before leaving for Washington to cover the meeting, I met a high-ranking U.S. Government official in Seoul and asked him to arrange an interview for me with U.S. Secretary of Defense Cheney. He was not willing to do so on the grounds that "Korean reporters are rude." His words were ringing in my ears the entire time I was in Washington.

He explained that Korean reporters are perceived to be rude because they put too many unanticipated questions to Secretary Cheney during his tour of the frontline in Korea last spring and because of their excessive phototaking.

He then stressed: "Where Korea is the country of courteous people in the East, the United States is the country of courteous people in the West."

Nevertheless, the United States I observed during my stay in Washington was a complete disappointment. These things seem to force a new understanding of the United States.

Editorial on U.S. Financial 'Offensive'

SK1611153490 Seoul HANGYORE SINMUN in Korean 14 Nov 90 p 2

[Editorial: "Concerns With U.S. Offensive Against Financial Markets"]

[Text] When the economist called Ricardo advanced a theory on free trade 150 years ago, its principle was based on the fact that through trade of goods, the interests of two nations would simultaneously increase. If a nation continues earning interest while the other suffers losses caused by such interest, no one would describe this as free trade but one would call it plunder by imperialists. The Uruguay Round may be termed as a fight waged by strong countries to gain their own interests against the entire world. Such a fight can be seen even in bilateral negotiations between the nations. One such clear example is the recent ROK-U.S. Conference for Financial Policies.

This conference was originally designed to adjust differences in views between the two countries on various problems in the financial domains and to exchange opinions. However, this conference has abruptly turned into a repressive organ in the end.

The ROK Government decided to allow foreign banks, which will advance into our country starting next year, to engage in trust business and to drastically increase their business funds; thus were repeated concessions made. In addition, the ROK Government worked out measures to actively follow the schedule of opening financial markets, which is committed for next year, and of opening the capital markets slated for the year after next. From the outset, this schedule is a result of concessions we have made by going beyond our real capabilities and by numerous pressures of the United States. When foreign banks jump into domestic financial markets by mobilizing various favorable conditions and means, including privilege given to an exchange transaction, while being exempt from various burdens which domestic banks should bear, apart from their high business management techniques, the sacrifice we have to suffer therefrom would indeed be enormous. In the case of last year, the interest rate of foreign banks, which are carrying out business in Korea, in comparison with their total assets and capitals was twice as high as that of the five city banks, and in particular, U.S. banks operating in our country was three times as much as that of domestic banks. This point alone clearly causes us concern.

This notwithstanding, after the conference, the U.S. representative expressed great disappointment to the ROK Government for having not immediately accepted "treatment" of foreign financial organizations as "domestic persons." Furthermore, he even interpreted the movement for restraint of excessive consumption in Korea as a plot to restrict imports, and showed great regret. The United States boycotted our side's demand for relaxing the contents of "the report on Korea's financial markets" which the U.S. Department of Finance submitted to the Congress, and even suggested considerable retaliatory steps. We must consider this a violent act, to indiscriminately retaliate against a nation which earns a profit, even a penny, in trade with the United States, by putting forward its own laws and system. Is this indeed the spirit of free trade which the United States wants to safeguard?

Role of American Chamber of Commerce Discussed

SK1611134890 Seoul TONG-A ILBO in Korean 15 Nov 90 p 2

[Article by reporter Yi Kyu-min]

[Text] Our attention is drawn to the American Chamber of Commerce in Seoul because it is increasing its pressure for opening the ROK market to ROK-U.S. trade.

This organization criticizes the ROK trade policy and even calls for the revision of regulations or restrictions in the ROK's domestic laws, as it did through its regular discussions with our government officials, or through press activities.

Therefore, people in general are taking more and more interest in what the nature of this American Chamber of Commerce in the ROK is, and what influence it exercises.

The American Chamber of Commerce in the ROK is a friendship organization of U.S. businesses in the ROK established in 1953. It has six regular employees. However, contrary to these superficial characteristics, it is a powerful interest group made up of some 1,000 American executives and staff members of the ROK branches of U.S. businesses and ROK-U.S. joint venture companies.

The president of this organization is Robert Gregory, an executive of U.S. Caltex dispatched to the Honam Oil Refinery Company, and it has 25 committees under him, such as the Manufacturers Committee and the Finance Committee. These committees hold monthly meetings and exchange information on the various problems and inconveniences arising in the activities of the U.S. businesses in the ROK.

They sort out the complaints received in this process and convey them to the U.S. Embassy in Seoul or report them to the Headquarters of the American Chamber of Commerce, so that they are passed on to the U.S. Congress or to the U.S. press for settlement of the problems at government level.

In particular, the members of the American Chamber of Commerce in the ROK are spread out in provincial areas as well, and since they hold various posts—from the president of a company to the manager of a hotel—they are in a position to look into the deepest market movements of our country.

Therefore, the American Chamber of Commerce—like tentacles—collects information on the trends of the local market, playing the role of advance guard and speaking for the interest of the U.S. businesses.

Although those making up this organization are businessmen whose status is not very high, they are known to exercise great influence practically and directly on setting U.S. trade policy toward the ROK.

In view of this influence, our government officials meet them regularly to listen to their suggestions and make efforts to solve the problems before they develop into trade frictions.

Their criticisms of our country's campaign against extravagance, which has recently become a controversial issue, and their demand for allowing the U.S. businesses to advertise more on local television were also brought up during this meeting.

The American Chamber of Commerce in the ROK says that the ROK business regulations and practices are still underdeveloped and that, therefore, until such time as these problems are eliminated, they will not slacken their activities, which is a sign that the argument with this organization will continue.

No-Gorbachev Summit Hoped To Signal New Era

SK2011022390 Seoul THE KOREA HERALD in English 20 Nov 90 p 4

[Editorial: "New Korea-Soviet Era"]

[Text] President No Tae-u will make a historic visit to the Soviet Union in the middle of next month to have his second summit meeting with Soviet President Mikhail Gorbachev in six months, doubtlessly an occasion to further develop the existing bilateral relations in a variety of fields. But, its significance would be far-reaching.

The summitry could provide momentum for Seoul in seeking more substantial changes in relations with North Korea. Being Pyongyang's traditional ally, Moscow still has considerable leverage to induce change in the attitude of North Korea and it is hoped Moscow will exercise more of its positive influence to nudge Pyongyang toward reconciliation with Seoul.

The No-Gorbachev summit is also expected to stimulate positive effects on the development of Seoul-Beijing relations. A new order in East Asia is being shaped, to a great extent, by the new Korea-Soviet relations that have been progressing rapidly since the first No-Gorbachev summit in San Francisco in June.

Conspicuous on the agenda of the Moscow summit will be the stepped-up economic cooperation between the two countries. Seoul has in mind the expansion of trade and technological cooperation with the Soviets, while Moscow is reportedly angling for construction ventures with Korea for Siberian development, in addition to consumer goods from Seoul. Reportedly under consideration among private business sectors is the construction of a gas pipeline linking South Korea and the Soviet Union by way of North Korea.

But there are not a few impediments and obstacles that need to be cleared away for Korean economy to approach its Soviet counterpart more positively. Presidents No and Gorbachev are looked on to exert efforts to bring about results that will benefit both countries. This could set an example for economic cooperation which Moscow seeks with countries in the Asia-Pacific region. Economic ventures oriented toward mutual benefits will be the practical and substantial way of supplanting the confrontational Cold War with cooperation for coprosperity. This could begin with clearing any institutional hindrance in such a way as to meet a mutually shared goal.

The upcoming summitry is also expected to help clear away the dark spots in the post-World War II Korea-Soviet relations which have been punctured much by animosity. Seoul can hardly forgive and forget some of the wrongs the Soviet Union did to Koreans during the 45 years, such as the downing of the Korean airliner and the Soviet role in the 1950-53 Korean War.

All In all, the summitry will be a new chapter in Seoul's northern policy. Both Seoul and Moscow should work together to build a better relationship on a fresh plane. Seoul's bid in the cause of genuine peace and prosperity deserves to be reciprocated in kind.

Soviets Seek Financial Aid for Restructuring

SK2011022790 Seoul YONHAP in English 0133 GMT 20 Nov 90

[Text] Seoul, Nov. 20 (YONHAP)—The Soviet Union has asked South Korea to help fund a massive restructuring effort so that it can successfully complete the transition to a market economy.

The Soviet economy is in the middle of the transition now and has set out to realign its infrastructure as necessary for economic reform, Vadim Medvedev, a member of the Soviet Presidential Council, told business leaders at a dinner Monday.

He said that in order to carry out these urgent tasks, the Soviet Union was expecting loans from South Korea and he had discussed the matter with President No Tae-u over the weekend.

Medvedev, a close aide to Soviet President Mikhail Gorbachev, arrived on Friday with a letter from Gorbachev to No in which the Soviet leader invited No to visit Moscow.

The Soviet Union hoped to combine its natural resources with the experience, efficiency and organizational ability of Korea and was ready to offer Korea its achievements in science and technology, said Medvedev, the highest-ranking Soviet official ever to visit South Korea.

The dinner was hosted by the Federation of Korean Industries.

Medvedev also said Moscow was willing to give Korea preference in participating in development projects in the Soviet Union.

Soviets Urge Formation of Asian Economic Bloc

SK2011095990 Seoul YONHAP in English 0852 GMT 20 Nov 90

[Text] Seoul, Nov. 20 (YONHAP)—The Soviet Union is keen to join an Asia-Pacific economic bloc to counter the club of industrialized nations, a top Soviet official said here Tuesday.

Presidential Council member Vadim Medvedev told a seminar it was desirable for Asia-Pacific countries to forge an economic alliance against the Western nations, hinting at support in Moscow for Seoul's proposal for an economic bloc comprising South and North Korea, China, the Soviet Union and Japan.

Speaking on perestroyka, glasnost and Korea-Soviet economic cooperation, Medvedev said the rich natural resources and vast potential market of his country could greatly enhance the international competitiveness of South Korean firms.

"The possibility for bilateral cooperation is especially high in the commercialization of ultra-modern science and technology," he said.

The Soviet Union is deeply interested in boosting cooperation with Korea in the production of items such as washing machines and disposable syringes, he said.

The seminar was organized by the Korea-Soviet economic association headed by Hyundai group founder Chong Chu-yong, who recently met President Mikhail Gorbachev in Moscow.

A.I. Milyukov, Gorbachev's director of social and economic analysis, said the economic plight of the Soviet Union was a by-product of perestroyka and would be overcome soon.

He said there were no barriers to Korean firms' advancement into the Soviet market.

O.K. Rybakov, a Gorbachev adviser, said Soviet foreign trade accounts for a meager 4 percent of world trade but will expand markedly owing to the rich resources, scientific-technological development and vast market of his nation.

Kim Chong-in, President No Tae-u's chief economic secretary, said economic cooperation between Korea and the Soviet Union would pay off due to the complementary nature of their economies.

"The Soviet Union is suffering from high inflation, unemployment and shortages of goods and foreign exchange in its transition to a capitalist economy. However, it is the world's richest nation in natural resources, has a market of 300 million people, advanced basic and aero-space science and technology and cheap labor. If only it is managed properly, the Soviet economy can succeed," he said.

Hungary's Goncz Arrives in Seoul From Tokyo

LD1411165590 Budapest Domestic Service in Hungarian 1100 GMT 14 Nov 90

[Excerpts] The president of the Hungarian Republic, who is on a Far East visit, has arrived in South Korea. Our special correspondent Jozsef P. Szabo reports from Seoul:

[Szabo] Arpad Goncz and his wife arrived in Seoul from Tokyo before 1900 local time on a scheduled Korean Airlines flight. [passage omitted] The Hungarian presidential couple were greeted at the airport by the premier of the Korean Republic and his wife. [passage omitted]

Goncz-No Meeting Detailed

LD1511175890 Budapest Domestic Service in Hungarian 1100 GMT 15 Nov 90

[Text] Protocol was only a frame for substantive talks at the Hungarian-South Korean summit. Jozsef B. Szabo reports from the scene.

[Szabo] At first the two presidents' private meeting was an opportunity for substantive talks. During the approximately 35-minute talks, the president of the Hungarian Republic described the changes in Hungary, and asked for his counterpart's support for the democratization process mainly in three concrete areas: the development of financial relations, relaxing restrictions on importing Hungarian agricultural products, and the complete abolition of Experts' Talks will start on this latter issue. If the agreement on reducing customs tariffs is signed on

Saturday, it will instantly ease the exporting to Korea of our agricultural products, e.g. Hungarian wines.

At the private exchange of views and at the talks immediately afterward with the participation of the delegations, No Tae-u stated that the Republic of Korea knew of and understood the difficulties of the Hungarian Government. It supports our efforts to overcome difficulties. Koreans are ready to exchange experts and to encourage the creation of mixed enterprises. They see good prospects for cooperation in telecommunications and the construction industry. President No Tae-u called the agricultural products issue an important but difficult matter. He mentioned the (Taejon) World Expo, which will be staged in 1993, as a new possibility for cooperation.

The president of the Hungarian Republic later described, with reason, the two meetings as having been useful and good talks. It was the first time that he described Koreans as our friends.

Naturally, world problems were also mentioned at the Hungarian-Korean summit. No Tae-u mentioned the sad fact that the Gulf crisis is casting a shadow on the era after the East-West detente. Arpad Goncz expressed his opinion in detail on European unity. Hungary supports the West, but does not wish to ruin our Eastern relations either, he said.

It is even more natural that they also discussed the situation on the Korean peninsula. Arpad Goncz expressed his wish to support the process of peaceful reunification, which, however, was proceeding slowly in No Tae-u's opinion: the main problem is that they cannot free themselves from the feeling of being enemies. The minimal trust is missing. We should learn from the German example, said the Korean president.

Further on Goncz's Meetings

LD1511210690 Budapest MTI in English 1717 GMT 15 Nov 90

[Text] Seoul, November 15 (MTI)—Presidents Arpad Goncz of the Republic of Hungary and No Tae-u of the Republic of Korea held talks on economic and political co-operation between the two countries in Seoul on Thursday. Development of financial relations, the liberalization of imports and the abolition of compulsory visas—these are the three major fields in which Hungary is counting on support from the Republic of Korea.

Goncz gave briefs on the situation in Hungary and asked for support from the Republic of Korea. He emphasized the necessity of liberalizing South Korea's agrarian imports and the establishment of closer bilateral ties in the fields of science and science policy. As far as scientific and technical co-operation is concerned, Goncz promised that Hungary would observe the Cocom [Coordinating Committee for Multilateral Export Controls] rules.

No Tae-u said he was aware that the political change in regime were being following by economic changes in Hungary, and pledged to support the efforts of the Hungarian Government. The Korean side will encourage the exchange of experts, investment, and the establishment of joint ventures, mainly in the construction industry, telecommunications and the health sector. Finally, he indicated that the visa obligation could be abolished in the near future.

Addressing international issues, Arpad Goncz said that, by putting an end to confrontation and eliminating the Eastern bloc, Europe was advancing towards unity, which was common goal of the East and the West. Emphasizing the interdependence of the two halves of Europe, Goncz said that the economic development of the West would not be undisturbed until the economic woes of the East were settled.

On Thursday at noon, Prime Minister Kang Yong-Hun gave a lunch in Goncz's honour. Then the president of the Republic of Hungary drove to the National Assembly to meet Pak Jun-Kyu, speaker of parliament. The sides agreed that time was ripe for establishing inter-parliamentary ties between South Korea and the newly emerging democracies of Eastern Europe, and for creating contacts at all levels between the Hungarian and South Korean parliaments. Goncz remarked that Gyorgy Szabad, speaker of the Hungarian Parliament, was scheduled to visit the Republic of Korea in the first half of 1991.

In the evening, No Tae-u gave a reception in honour of Arpad Goncz and his entourage. In his toast, the South Korean head of state said that his talks with Goncz had established a stable framework for the development of bilateral commercial and economic co-operation. Goncz said that Hungary's endeavours for establishing a democratic state of law and a social market economy, and for improving the competitiveness of its economy were being encouraged by the sympathy displayed by the democratic countries of the world and their readiness to help which had already been manifest in concrete actions.

Trade Agreement Reached

LD1611192990 Budapest Domestic Service in Hungarian 1800 GMT 16 Nov 90

[Text] The economic leaders in President Arpad Goncz's entourage have reached agreement with their South Korean counterparts on trade facilities. As a result of the talks in Seoul, the export of Hungarian goods to South Korea might go up by 8 to 10 million dollars. This can be attributed to the mutual customs reduction agreement which will be signed tomorrow. At the same time, there was no success in securing concessions for Hungarian agricultural exports. At the Hungarian-South Korean economic talks, bankers from the Asian country expressed their readiness to take part in the financing of Hungary's development.

Goncz Says Visit 'Successful'

LD1711144990 Budapest Domestic Service in Hungarian 1100 GMT 17 Nov 90

[Excerpts] Approaching the end of his visit to South Korea, Arpad Goncz, president of the Hungarian Republic, has held his last news conference. Jozsef P. Szabo reports on this from the venue.

[Szabo] Arpad Goncz termed his talks in Korea successful. Impetus could be given to the extension of relations in several areas, such as the development of financial relations, visa concessions, and Hungarian exports. With the latter he obviously referred to the agreement on the reduction of customs fees which was signed this morning.

In connection with this, Gyorgy Suranyi, president of the National Bank of Hungary, said in reply to a question that the Korean side agreed that in the first quarter of next year we can get the last $85 million trance of a $250 million credit signed two years ago. [passage omitted]

However, Goncz spoke in more detail about the fact that some change had been noted in relations between North Korea and the Hungarian Republic, more exactly in the hitherto rigid Phenjan stance. They indicated that they would return their ambassador to Budapest, and they would like to improve economic cooperation, which declined practically to zero. We are not against all this, said Arpad Goncz, for we can see an opportunity in this to facilitate the approaching of the two Koreas. [passage omitted]

Goncz Leaves; Supports UN Bid

SK1711101290 Seoul YONHAP in English 0951 GMT 17 Nov 90

[Text] Seoul, Nov. 17 (YONHAP)—Hungarian President Arpad Goncz left for home Saturday afternoon after a four-day trip to South Korea.

During his stay, Goncz met with President No Tae-u to exchange opinions on matters of mutual concern and the two agreed to beef up economic cooperation and personnel exchanges between their nations.

The Hungarian president supported Korea's bid to join the United Nations and unify the Korean peninsula through peaceful means, and he urged North Korea to join the International Atomic Energy Agency's nuclear safeguards pact.

Earlier Saturday, Goncz told a news conference that Hungary would work out ways to accelerate economic cooperation between Budapest and Seoul, and do its utmost to support Korea in its bid to join the United Nations.

Pressed to explain possible role of Hungary in mediating inter-Korean reconciliation as a third party maintaining diplomatic relations with both Koreas, Goncz said Hungary would provide support to efforts to ease tension between South and North Korea even though North Korea recalled its ambassador to Budapest after Hungary established diplomatic relations with South Korea.

"Situation (between Hungary and North Korea) will improve since Hungary's decision to normalize relations with South Korea was not to have North Korea for an enemy but to make friends with South Korea," the Hungarian leader said.

SINDONG-A Examines Seoul Politics

SK1911072690 Seoul SINDONG-A in Korean Oct 90 pp 230-241

[Article by Han Tong-yun: "The Subsurface Feud: A 'Second Realignment of Politics'"]

[Text]**Looking for a Change in the "One No, Three Kims" Structure**

Both the opposition and ruling camps are agonizing over the issue of internal realignment. The DLP has already experienced one ruckus triggered by former Political Affairs Minister Pak Chol-on's dark hint about a second political realignment, and the PPD [Party for Peace and Democracy] and the DP [Democratic Party] have engaged in unsightly squabbles over the issue of unifying the opposition camp, so we should not jump to hasty conclusions on the issue of possible realignment.

Since the interests of the ruling and opposition parties intersect on the issue of realigning partisan politics, the directions for realigning the internal structure of both the ruling and opposition parties will exert strong mutual influence on the moves made by the other. Although these strong currents toward partisan political change are characterized as a second political realignment, in fact the changes involved strongly suggest that a more appropriate characterization would be generational change, because the coming changes seem to be aimed at replacing the existing "one No and three Kims" structure.

Turning first to the issue of possible restructuring of the ruling party, the actions of Pak Chol-on provide strong clues to a number of possible future developments. We can pick up these clues from Pak because, in point of fact, he coined the term "second political realignment," and because Pak has clarified the term on a number of occasions.

Pak Chol-on attended the "Asian-Pacific Region: Dialogue, Peace, and Cooperation" forum in Vladivostok and returned quietly if "anomalously enough" to Korea on the morning of 14 September 1990. A number of reasons served to justify his anomalous return. Pak outlined the results of his trip at some length to reporters who had come out to the airport to meet him that morning, not omitting to mention that he had met with Soviet Foreign Minister Shevardnadze, but Pak ducked questions on domestic politics with the disingenuous, "I should be asking you gentlemen the answers to those questions." Obviously, Pak was determined not to say a word about domestic politics.

His "once burned, twice shy" attitude stemmed from an incident that occurred on 15 August 1990 when Pak Chol-on returned from a trip to the Soviet Union in high spirits and while speaking with reporters at Kimpo International Airport criticized DLP Executive Cochairman Kim Yong-sam as a "politician who exercises his political position to exploit regional antipathy. .... I am determined not to fall in step with any political structure which obstructs popular harmony and fans regional antipathy." This seemed to contrast sharply with what he said when he advocated a second political realignment.

Having arrived from Vladivostok without commenting on internal politics, Pak elected to take up the subject the day after his return, speaking to reporters who had come to his home in Yangjae Subward on 15 September 1990. Responding to a reporter's question, Pak Chol-on responded negatively to a statement made by Cochairman Kim Yong-sam as Kim discussed qualifications for political leadership in the context of calls for the three Kims to step aside. "Politicians," Kim Yong-sam had said on 8 September, "must be judged on their contributions to struggle and to democratization." Reporters who expected Pak to react more sharply were disappointed. Pak's response to reporter's questions was very "moderate," unlike past responses. "The struggle of opposition politicians," he retorted at one point, "can appear gallant, but we are confident that we too have done our part to work hard for the country and the people, as in expediting the Northern Policy."

In contrast to his past windiness, Pak Chol-on was very reluctant to share his thoughts with us on this occasion, and to date we have not been able to determine the reason for his sudden caution. Many are concerned about Pak's future course, whether he will choose to remain quiet on his own, whether he will speak out, or whether he will remain quiet on the several contentious issues that he has advocated so strongly himself in the past: the second political realignment, the so-called "house cleaning" political generation change, as well as his rejection of Kim Yong-sam. When Pak arrived at Kimpo International in September, he boasted that, "In Russia I experienced perestroyka on its home turf, and I have decided with my entire being that I must find a solution to the self-righteousness and egoism that characterize Korean politics." It is impossible to know whether Pak's boast carries any validity.

Those close to Pak Chol-on and who know him well assert firmly that the ultimate answer to this question is that it has no validity. They say that there has been no change in Pak's convictions; that all he is doing is reiterating the second political realignment thesis which he first advanced in January 1990 immediately after the merger of the three parties. In reality, the fact is that Pak Chol-on speaks as if he were exceptionally sensitive to the alienation of the Cholla area inherent in the merger of the three parties. Pak repeats at every opportunity, that "We cannot consider that the present realignment of the political order is complete."

The morning after criticizing Executive Chairman Kim last month, Pak visited Kim at his Sangdo Subward residence and apologized. Sources say it is difficult to believe that Pak's apology came from the heart. Pak himself insists that he never once used the expression "apologize," and as is his habit Pak merely placed the blame on the press and let it go at that. Those close to Pak claim that his series of statements were inopportune, met with almost no positive response from within the DLP, and enraged President No Tae-u. Thus, Pak merely regretted that he had made the statements without changing his real thoughts in the slightest.

The consensus among Pak Chol-on's close aides, including those at the Laurel Tree Society (Wolgyesuhoe), is that the situation today is simply unfavorable to Pak's purposes, that Pak is now only discreetly biding his time, and that when the time is ripe Pak will move decisively to achieve his objectives. Although Pak himself is being cautious in what he says, sources note that Pak has alerted his closest supporters to be prepared for a special moment; has suddenly begun to strengthen his advance guards, the Laurel Tree Society; and has lately been making overtures to the executives of the DLP's Secretariat, figures whom he had chosen to ignore in the past. The compelling interpretation of these acts is that Pak is preparing to take advantage of an opportunity afforded by any future "incident."

The Objectives of a Second Political Realignment

I have analyzed what Pak Chol-on said in September at the airport and at his Yangjae Subward home. His remarks can be summarized into two general motifs which, in turn, elucidate the significance of Pak's political realignment and at the same time reveal Pak's real perceptions.

The first notion is that the merger of the three parties injured the "grand harmony" of the Korean people because it excluded the PPD, a party which represents the Cholla people, further stimulating the sense of alienation of the region's people, and therefore one must be solicitous of the PPD, listening attentively to what it says. Going beyond that, Pak suggests forging political solidarity with the PPD, marching in step with it, or constructing a "political association" with part or all of the political forces in the Cholla region to restore fair rules to the political game. At the same time Pak says that, "The merger of the three parties cannot be the final model for Korean politics, which are passing through a transitional period," hinting at a second political realignment.

The second notion relates to Cochairman Kim Yong-sam. Pak attacks Kim directly: "The purpose of the merger of the three parties was to achieve a grand harmony of the Korea people, but the leader of the merged party exercises his political position to exploit regional antipathy." These words enable us to surmise what Pak's real intentions are.

The main issue Pak Chol-on raises in his statements relate to the essential problem of the DLP's estrangement from the people of the Cholla region, and related points that Pak makes are that the DLP must consider the problem that Co-chairman Kim Yong-sam exploits regional antipathy, that the DLP must be solicitous of the Cholla area, and even that the DLP should forge an association (a political party) with Cholla forces.

Meanwhile, close aides to Co-chairman Kim Yong-sam believe that Pak Chol-on's statements are designed to jar Kim's position and render him powerless or to "wither Kim to death" over time. Kim's aides believe that once Pak gets Kim out of the way Pak plans either to forge solidarity with the PPD or realign the partisan political scene in some other fashion. Kim's aides discuss Pak's plan with obvious tension in their faces.

It is not clear, meanwhile, why Pak Chol-on has continued to speak of a design for political realignment ever since the merger of the three parties. Some believe he is motivated from a genuine fondness for the idea; others see it simply as an effort to remove a political obstacle, Kim Yong-sam. It may be a combination of both.

The problem is that Pak Chol-on hints that another realignment of partisan politics is possible and acts as if he were a great champion of regional fairness, while he always seems to focus his criticism on the leadership and political acts of Executive Cochairman Kim Yong-sam. Pak Chol-on pressed Kim unmercifully in July 1990 when the DLP forced a large number of bills through the Assembly in a matter of minutes. Kim Yong-sam was feeling the pressure then, being pressed into a corner even by members of the ruling camp. Most knowledgeable observers believe that Pak Chol-on purposely chose that moment to attack Kim to coincide with the PPD's boycott of the National Assembly in a torrid campaign to "wither" Kim to death.

Although it may not be related to Pak Chol-on, when behind-the-scenes negotiations began with the PPD to convince that party to send its deputies back to the National Assembly, a number of the DLP's DJP [Democratic Justice Party] faction members involved in the negotiations are reported to have suggested to the PPD that it "stay away from the Assembly as long as possible to turn up the heat even higher on Kim Yong-sam." Hearing of this, the DLP's RDP [Reunification Democratic Party] faction grew agitated and labeled this an act of supreme treachery. The RDP faction also believes that if Chongwadae had not put on the brakes, Pak Chol-on's inflammatory remarks upon his return to Korea may have precipitated a sympathetic response within the DLP and led to an all-out offensive by Pak.

Of course the Pak Chol-on side does not agree with this interpretation, and of course they blame it all on press exaggeration. To be sure, the Pak Chol-on side acknowledges that some of Pak's statements are directed at Kim Yong-sam, but they say also that his real intention might well be to reflect on the DLP, submit his resignation as an Assembly deputy, and work with the "Assemblyless" PPD to solve the prevailing political situation.

After his big clash with Kim Yong-sam in April 1990, Pak Chol-on paid precious little attention to harmony. Pak was filled with bitterness at his relative obscurity within the ruling camp at that time and harbored as always a negative attitude and low opinion of Kim, factors which most informed observers agree caused Pak to lunge at Kim Yong-sam with the purpose of removing Kim and setting up a new game on the political checker board.

Pak's bombshell statement in April 1990 that "could have ended Kim Yong-sam's political life" and Pak's recent charge that Kim is a politician who "exploits regional antipathy" were undertaken by Pak to unseat Kim from the DLP leadership. Even if he fails in the short run, Pak expects that his attacks will at a minimum make it impossible for Kim to serve another term as executive chairman of the party. Meanwhile, it is not unreasonable for Pak to be anxious for his own political life in the event that Kim Yong-sam were to become president.

Those close to Kim Yong-sam are not sitting idly by. For some time now they have attempted to forge links to Kim Pok-tong, who plays the role of elder brother to Pak Chol-on. Kim's aides knew that both Kim Pok-tong and Pak Chol-on were interested in running for an Assembly seat from the same electoral district in Taegu, and they were interested in seeing that the senior man, Kim Pok-tong, swung the nomination to Pak Chol-on's detriment. Meanwhile, Floor Leader Kim Tong-yong of the RDP faction went even further, denouncing Pak Chol-on as another Yi Ki-pung.

Thus, Pak Chol-on's concern for his own situation and his future political viability make further clashes with Kim Yong-sam absolutely unavoidable, and although Pak has essentially lost his two frustrating bouts with Kim, he has left scars on Kim. Informed observers agree that Pak is simply awaiting a decisive moment to renew the battle.

The theory that a second political realignment may develop receives at least partial support from the fact that Pak Chol-on maintains a venomous relationship with Kim Yong-sam, that Pak has elected to pursue the objective of political solidarity, and that Pak enjoys a relatively cordial relationship with PPD President Kim Tae-chung, who stresses regionalism and "solicitude" for his own region.

Sources say that Pak Chol-on views Kim Yong-sam as a light weight but by contrast regards Kim Tae-chung very highly. Pak believes that Kim Yong-sam's words and deeds are not congruent, but sources say that while Pak does see problems with Kim Tae-chung's methods, he gives Kim very high marks as a politician who strives energetically to keep his promises.

Sources point out that the relationship between Pak Chol-on and Kim Tae-chung in the spring of 1989 when an interim assessment of President No Tae-u's presidency was postponed was as sweet as any honeymoon.

For his part, Kim Tae-chung has described Pak as "a bright young man," and sources say Kim maintains an upbeat view of Pak even now.

Sources at Chongwadae [presidential residence; also called Blue House] say that when Blue House Secretary General Hong Song-chol and others were negotiating with Kim Yong-sam to merge the DJP, RDP, and NDRP, that Pak Chol-on was preoccupied with efforts to merge the DJP and PPD. These sources say that Pak came late to the process of merging the three parties, and that as late as just before the 21 January 1990 announcement of the three-party merger, Pak was still pressing Kim Tae-chung to merge with the DJP, telling the PPD president, "We don't have any time. You've got to hurry and make a decision." This same story circulates as a rumor within the PPD itself, but some observers believe that this story represents a mere political operation rather than Pak Chol-on's real intent.

What Does President No Want?

It is accurate to say that irrespective of whether Pak Chol-on's remarks mean that he has Kim Yong-sam in his sights or whether they mean that Pak is pursuing a second political realignment, the attainment of either depends on what President No wants. To read the tea leaves of Korea's political future, it is crucial to know whether Pak's censorious statements about Kim Yong-sam were made with the active connivance of Chongwadae, whether the idea of a second political realignment is included in President No's long-range political plans, or whether Pak Chol-on is operating strictly on his own.

Only slightly less crucial are President No's perceptions of Pak Chol-on and the nature of the triangular relationship among Pak Chol-on, President No, and Kim Yong-sam.

Firstly, in regard to President No's perception of Pak Chol-on, Pak's words and deeds make it dangerous to link him to President No, if we are to assume that the president cannot be caught up in a mix of positive and negative feelings. Pak himself frequently describes his relationship with the president by quoting the old saying, "Spark from heart to heart," suggesting a special relationship so sympatico even words are not necessary for mutual understanding. Many believe that Pak's actions reflect No's intent, an impression that is only strengthened when Pak says things like, "When I talk with the president, I share my favorite theories and principles with him." Of special note in this regard, Pak met with President No at Chongnamdae [presidential retreat] prior to his visit to Moscow on 23 July 1990. Pak Chol-on had no sooner deplaned on his return to Korea than he opened fire on Chairman Kim Yong-sam, causing observers to believe that the attack had been planned prior to the trip, and therefore potentially linking the president with the plan.

It was later confirmed, however, that President No's younger brother No Chae-u was present at the Chongnamdae meeting prior to the Moscow trip. The first brother's presence would have prevented Pak from raising sensitive subjects. Moreover, the day after he met Pak, President No met with Executive Co-chairman Kim Yong-sam and Co-chairmen Kim Chong-pil and Pak Tae-chun at the same Chongnamdae location. Kim Yong-sam recommended at this meeting that "discussion about a parliamentary cabinet system of government cease," and in view of these facts, it seems only slightly possible that Pak was acting in consonance with the president. Moreover, President No had a meeting with Assembly Speaker Pak Chun-kyu immediately after Pak Chol-on's July attack on Kim Yong-sam, and sources say that in that meeting the president asked the speaker to "reprimand" Pak Chol-on. According to another story, Pak's Chongwadae defender, First Lady Kim Ok-suk called Pak personally on the telephone and blistered his ears with a lengthy criticism of his attack on Kim. Close observers have thus picked up a thread which leads them to believe that Pak's attack was taken on his own initiative.

Other stories have it that Chongwadae has felt it necessary on at least two occasions to "check out" Pak's actions. The first incident occurred in the spring of 1990 when a women's monthly magazine did a story on Pak Chol-on which included a picture of his family in sumptuous leisure, triggering a Chongwadae investigation. A second incident occurred in April 1990 when Pak invited some 40 Assembly Deputies to a Chinese restaurant at the airport to celebrate as Pak was about to depart for a trip overseas. This assemblage, of course, caused quite a stir at the airport and triggered another Chongwadae investigation. Those who believe that Pak's relationship with President No is inconsequential point to incidents like these as evidence.

There is even more grist for those who believe that the situation has turned against Pak Chol-on. For one thing, despite his earlier contributions, Pak was excluded from the San Francisco summit between No and Gorbachev, and strong rumors have it that Pak sent a letter to the president who was in San Francisco for the summit with Gorbachev but that the letter was deliberately withheld from President No.

However, not only do those close to Pak and those in the Laurel Tree Society deny all this, they go on to claim that except for the frequency of their meetings, all is the same between Pak and President No; the two men share a mutual empathy. They point to the Laurel Tree Society itself as evidence of the relationship, suggesting that the ruling camp buzzes with doubt as to the appropriateness of the society, yet the group continues to expand according to plan. Moreover, they argue that the solidarity between Pak and the Assembly deputies who support him remains very strange. They say the solidarity would unravel if there was trouble in the relationship between Pak and the president. Finally, they point out that Pak has visited North Korea and continues to exert his usual influence on the North Korean dialogue and that, indeed, Pak has extended his reach by pioneering improving liaison ties with China. These things, they say, simply could not occur without President No's blessings.

Pak's aides' attitude seems to be, "Just wait and see, baby." Although they dare not go so far as to claim that Pak Chol-on's hints about a second political realignment represent President No Tae-u's intent, one comes away with the impression that the time will come when Pak Chol-on's ideas will prevail.

Will Kim Yong-sam Be Given Control of the Party?

It is useful to review the relationship between President No Tae-u and Chairman Kim Yong-sam to help understand the words and actions of Pak Chol-on.

First, we learn from Chongwadae and from the RDP faction that the relationship between President No and Kim Yong-sam has never been more friendly. Both sides explain therefore that Pak Chol-on's impetuous strategy to purge Kim Yong-sam outright or to wound him mortally is far removed from practical reality. Although it is hard to swallow these assertions whole, we can explore a number of related events.

One of these is the story that in late August 1990 when President No visited Pusan, the chief executive told Mayor An Sang-yong, "I expect you to be completely loyal to Executive Co-chairman Kim Yong-sam." Sources table this directive as evidence that a structure of trust exists between No and Kim, news of the directive having made its way from Pusan to the RDP faction and even to Chairman Kim himself. In another case, Kim Yong-sam and the president had breakfast together on the morning of 3 September 1990, the day before President No's birthday. Co-chairmen Kim Yong-sam and Kim Chong-pil, accompanied by their wives, were invited to a birthday dinner at Chongwadae the next day. Sources point to this to claim that Kim Yong-sam receives the kind of honorable treatment he deserves as the number two man in the Party.

RDP sources also say that President No provided very energetic support for Kim Yong-sam's plan to visit the United States and Canada in late August 1990, although in the end Chongwadae intervened to cancel the trip. The sources claim that President No went so far as to direct the Chongwadae Secretariat to draft a letter to U.S. President Bush asking Bush to meet with Kim. If we take that at face value, then President No appears in fact to be actively assisting Kim to become the number two man in the ruling camp, and one cannot help but feel that the president is therefore aiding Kim's campaign to succeed him in the presidency.

In April 1990 when Pak Chol-on made his critical remarks about Kim and hinted at a second political realignment, President No obliged Pak to apologize immediately to Kim Yong-sam, avoiding a more serious clash between the two men. President No called prominent DLP faction Assembly deputies to Chongwadae at the time and expressed distaste for any help they might provide to Pak Chol- on, who was fighting alone with Kim. However, No's remarks at this meeting were so unpersuasive that according to rumor the president was merely emphasizing honorable treatment for Chairman Kim.

As these examples suggest, however, a serious gap exists between the externally friendly relationship between President No and Chairman Kim and Pak Chol-on's critical offensive against Kim. Indeed, one explanation is that Pak Chol-on is tilting at windmills all alone, blissfully unaware of President No's intent or that of the leadership of the ruling camp.

Aides close to the president who are well versed in reading his intentions are not completely in step with Pak Chol-on, but it is quite clear that these aides cannot guarantee Kim Yong-sam's future, and even less are they in a position to make any guarantee about his selection as presidential candidate. These aides explain that unlike in Fifth Republic times the atmosphere is such that even if the president of the ruling party were to appoint a successor, there is no assurance that the party would accept it.

Kim Yong-sam will be able to win the DLP's presidential nomination only if he is recognized as the number two man in the party, if he is provided an "opportunity" to accumulate experience as a ruling-party leader by governing the unified party, and if Kim exerts himself mightily, but if Kim is thrown into a situation which deprives him of this opportunity, then he will be helpless to influence the prevailing anti-Kim atmosphere within the core of the party. The meaning of the unified party is not to provide Kim a free ticket but to tell Kim that he must work vigorously to make it on his own.

Irrespective of what President No thought about Kim Yong-sam or how highly he evaluated Kim's skills in the early period after the merger of the three parties, and irrespective of whether the president knew about Pak Chol-on's strategy of dealing fatal blows to Kim Yong-sam, so long as No remains the DLP's president he must grant Kim opportunities and otherwise assist Kim, at least until some established moment in time, and that is in fact what the president is doing. For some observers, this feeling of presidential support for Kim was strengthened during the Assembly session in July 1990 when Chairman Kim Yong-sam pushed dozens of bills through the Assembly in only a few minutes, bringing down a fire storm of criticism on his own head for his efforts on behalf of the ruling camp.

Lawmaker Yi Chun-ku is known to meet President No often. Yi notes that, "After the party merger, it was only natural to provide Chairman Kim Yong-sam an opportunity, and he must be given that opportunity for a sufficient period of time." Yi adds that, "Some people advocate a change of generations and hint at a political realignment, but such behavior repudiates the personal integrity of all those who played leading roles in merging the parties." Yi's statement seems to reflect Chongwadae's views on this matter, at least to some extent. Yi also said, "When the Korean people reject a leader at the ballot box, then a generation change and a house cleaning will be possible." Yi's statement also suggests that he is pleased with his evaluation of Chairman Kim Yong-sam.

We cannot be certain that Assembly Deputy Yi Chun-ku's estimate of Kim squares with that of the president, but this positive evaluation of Kim Yong-sam seems to be gaining ground. One evidence of this is that at one time leading DJP Faction figures and younger DLP Assembly Deputies as well joined in a rising chorus to demand generational change, but that movement suddenly fell quiet.

Wanting some unexpected development, Chongwadae is naturally reluctant to accept the risk and the burden to the No presidency that another attempt at political realignment would bring. The atmosphere at Chongwadae seems to be that the presidential mansion is fed up with events like Pak Chol-on's attack on Kim Yong-sam in April 1990, which Kim labeled a political operation to purge him, since such actions cast public doubt on Chongwadae's morality.

The evidence, such as it is, suggest strongly that the atmosphere at Chongwadae clashes with Pak Chol-on's criticism of Kim Yong-sam and Pak's advocacy of political realignment. Nonetheless, the fact remains that a thread of commonality may link Pak Chol-on's hasty and unreasonable call for realignment and the DJP faction's long- term and reasonable call for a "house cleaning."

The DJP Faction Wants a Decisive Determination in the Assembly Elections

Irrespective of the relationship between President No and Chairman Kim Yong-sam, it must be borne in mind that the DJP faction and even the NDRP [New Democratic Republican Party] faction in the DLP entertain sufficient antipathy toward Kim Yong-sam so as to prevent them from jumping on a Kim Yong-sam band wagon. They are aware that Pak Chol-on's somewhat rash words and behavior are tinctured with antipathy for Kim Yong-sam, and they are not unsympathetic to Pak's offensive, but they are also prudent for two reasons. First, they have a feeling that the merger of the parties resulted in a victory for Kim Yong-sam; they feel like he won all the marbles. And second, they have clearly in mind the historical results of repeated splits within the opposition parties and have no desire to follow suit.

Thus, the prevailing feeling in the DLP's DJP faction seems to be, in line with the statement by Yi Chun-ku, that so long as Kim Yong-sam avoids some massive gaffe, the Party should wait for a popular judgment on Kim to be delivered during the election of Assembly deputies that will precede the presidential election. A decisive determination about Kim can be made at that time, and if Kim comes up a loser in the election, then the DLP will have no choice but select its presidential candidate on the basis of a free electoral selection process.

Many anticipate that voting in the 14th general election—to be held sometime after November 1991—will trigger a major transformation in the DLP. These people assume that Kim Yong-sam will emerge a loser in the balloting. This judgment is based largely on the belief that although the movement to unify the opposition camp is stalled, opposition candidates will reserve their most acerbic criticism and their strongest blows for Kim Yong-sam and his RDP faction during the general election campaign.

Some 50 RDP lawmakers changed their stripes and followed Kim Yong-sam into the DLP, and if a large number of them end up losing their Assembly seats at the ballot box in the 1991 general election, or even if a large number win by only a small margin, then the perturbation of these men, as individuals and as a group, might well be imagined. If this happens, however, Kim Yong-sam will fall, branded as a general who has lost his soldiers. If the situation in fact unfolds this way, then Kim Yong-sam will be obliged to abandon his presidential dream.

Some people interpret Assembly Speaker Pak Chun-kyu's hint that the general election may be held earlier rather than later to mean that in the event that the election outcome is unfavorable to Kim Yong-sam there will be sufficient time remaining in President No's term to complete the party house cleaning. We hear that Speaker Pak met secretly with President Kim Tae-chung a number of times recently when the speaker undertook to convince PPD deputies to return to the Assembly. The speaker told Kim Tae-chung that, "The PPD is most frustrating. The ruling camp has not yet decided on any potential candidate for president, much less on Kim Yong-sam to be that candidate. We will accord President Kim Tae-chung an identical and fair chance." If this is true, the statement speaks volumes about the atmosphere inside the DJP faction today.

It is unclear what the words "accord President Kim Tae-chung an identical and fair chance" really mean. They could suggest the fair rules of a game under a parliamentary government as described by Pak Chol-on or they could mean that Kim Yong-sam will be purged and thereafter the DLP would seek either to forge solidarity with the PPD or to merge directly with it. Whatever the speaker had in mind, Secretary General Pak Chun-pyong—who is known to be close to Pak Chol-on—raised an idea at a 29 June 1990 discussion meeting sponsored by the DLP to commemorate the third anniversary of President No's watershed "29 June statement." In a recommendation that tracked very closely with Pak Chol-on's own road map, Pak stressed that all DLP officers and candidates for offices should be selected by secret ballot. Pak Chol-on seems to be unafraid to take hasty actions aimed at challenging Kim

Yong-sam, and Pak is actually expanding his Laurel Tree Association, while at the same time he toils diligently to win other lawmakers to his side. Pak would obviously prefer that his efforts unseat Kim Yong-sam, but if Kim proves impossible to bring down in the early going, then Pak may hope that the coup de grace can be administered through elections of party officers and candidates, elections which will favor the DJP faction with its majority representation in the party.

However it plays out, Pak Chol-on's design for political realignment looks right now to be like an advertising balloon; now you see it and now it is pulled out of sight.

Toward Integration of the Opposition Camp and Generational Change

In the opposition, meanwhile, moves have been afoot to amalgamate the DP, the PPD, and an umbrella group of relatively moderate politicians. This movement, however, ran out of steam in July 1990 and was either marking time or actually losing ground when the DLP rammed dozens of bills through the Assembly in a matter of minutes, provoking the mass resignation of the opposition lawmakers from the Assembly. This development acted like a shot of insulin to rejuvenate the movement to merge the opposition, but like insulin, the impetus soon wore off, and the opposition camp returned to marking time on the issue. The DP and its president, Yi Ki-taek, regarded the position of the PPD President Kim Tae-chung in a unified opposition camp as problematic; Yi refused to accept Kim as the "sign post" of a unified party. This caused the initiative to run out of steam and degenerate into an unbridgeable pit of emotion. All sides pointed at the other and stomped off in a fit of pique that left no one group clearly to blame.

On 18 July 1990 a meeting was held between Kim Tae-chung and Yi Ki-taek; and Kim, Yi, and Kim Kwan-sok—the leaders of three opposition groups attempting to merge— met on 20 July. The three sponsored a large rally at Poramae Park on 21 July, and the merger initiative seemed to be speeding along at a breath-taking pace. Then fighting between the PPD and DP over division of positions in the merged party slowed the process to a snail's pace. Meanwhile the leadership system envisaged for the merged party came under adverse criticism. The opposition cannot be faulted for not pursuing unification dialogue, but we can say frankly that they tried and failed.

Some of the figures most involved in the discussions say that the initiative failed because of Kim Tae-chung's reflexive refusal to fall back from the front ranks of politics, his ambition to be the presidential candidate of the unified opposition party, and Yi Ki-taek's sometimes impenetrable political actions. Recently, Yi Ki-taek has appeared to be willing to accept the "troika leadership system" tabled by the PPD, but the two parties disagree on the period of time for the troika system to last, and their positions on this point are remarkably inflexible. Most observers believe that no results can be expected, even with time.

Even if Yi Ki-taek abandons his advocacy of a leadership system in which "Kim Kwan-sok serves as permanent co-chairman and Kim Tae-chung and myself serve as co-chairmen," Yi's leadership abilities are so weak that observers believe that any attempt Yi makes to build a consensus for a troika leadership in his own party will result in instant distress. Even if Yi were able to prod the DP into accepting the troika leadership idea, Yi's position is that any leadership system must remain in place until the DP convention is held shortly after the 14th general election. This position inevitably clashes with that of the PPD, which opposes that length of time.

The DP's idea of a leadership composed of "one man as permanent chairman; two as cochairmen," of course, relegates PPD President Kim Tae-chung to the rear ranks of politics and springs from the conviction that a unified opposition party that runs in an election under a signboard adorned only with Kim Tae-chung's name is a unified opposition party which is guaranteed prodigious election losses everywhere but in the Cholla Provinces. The idea is that Kim Tae-chung's existence and his influence in a merged opposition party must be muted as much as possible. Moreover, the DP's dogged position is that the leadership structure of a unified opposition party must remain in place not just until the official inauguration of the party but to and beyond the 14th general election and until such time as the merged party can hold a general convention. Any changes in the leadership structure could be made no sooner than the convention. The PPD isn't buying. They see installing Kim Kwan-sok as permanent chairman of the unified party as handing executive control of the party over to dissident forces in a situation where the merged party's primary objective would be to win overall political control. The PPD sees Kim's name at the top of the sign board as certain death at the ballot box and asks why bother to hold the general election at all if Kim is to be the chief party executive. The PPD firmly supports Pastor Kim's [Kwan-sok] own courteous refusal to consider the job.

It turns out that the issue of how to apportion party offices presents a crucial obstacle to the merger, indeed a snare so powerful that observers believe that it can put an end to discussion about merging the opposition camp. The DP's position is that the PPD, the dissident group, and itself should share party offices equally. The PPD agrees in principle that "all three parties are equal," but as a practical matter, many PPD members disagree with apportioning offices in "equal shares." The Opposition Unification Promotion Committee proposed the creation of a body composed of equal numbers of representatives from the dissident group, the PPD, the DP. This panel would then select qualified individuals to serve in party offices. The PPD, however, will not accept a blanket 1 to 1 to 1 apportionment of leadership positions among the three interested groups. From Kim Tae-chung's viewpoint, of course, his PPD controls 70 Assembly seats while the DP controls only eight, yet the DP displays boundless impertinence by demanding equal representation in the unified party.

An examination of the war of nerves among the opposition groups suggests the future opposition political configuration will be a confusing one determined by opposition political leaders who act from an admixture of abiding attachment for partisan control and an equally abiding ambition to be presidential candidates.

Kim Tae-chung surprised the political world during a speech he delivered to commemorate Liberation Day on 15 August 1990. As he spoke, Kim abruptly came out with, "Democratization is the sine qua non for unification. And the unification of the opposition camp is the sine qua non for democratization." Kim added: "If necessary to conclude a merger, President Yi Ki-taek can become its president and, it's all right if I occupy a post under him." Observers believed that Kim was revealing a decision that he could yield on the issue of party hegemony. While he was at it, Kim Tae-chung said, however, that his sense of responsibility to the Korean people—a term he uses habitually—was so overwhelming that, "I can't withdraw to the rear ranks of politics." In his speech, then, Kim had volunteered to accept a secondary role in running the party but insisted on remaining in the front ranks of politics. Translation: Yi Ki-taek can head the new party, but Kim Tae-chung must be its presidential candidate.

As is his way, DP President Yi Ki-taek failed to follow up on Kim Tae-chung's public proposal. Troubling himself as little as possible, Yi wondered whether Kim's proposal meant that Yi could serve as the standing chairman under a troika of co-chairmen, or whether Kim meant that Yi could be executive co-chairman. Sources say Yi sounded the PPD out on the matter. From Yi Ki-taek's point of view, of course, even if Kim Tae-chung surrendered party control to him, Yi was then finding it all but impossible to control his own small party. If his DP were to merge with the PPD, even if the unified party were under his titular control, sources say that Yi judged that Kim Tae-chung's leadership skills and his ability to attract political funds would place Kim at the de facto helm of the party. Yi's self doubts, at any rate, determined that Kim's initiative would end as a one act play. Sources say that Yi Ki-taek has reverted to his original objective of trying to find a political niche for himself by carrying as his own burden the public demand for an end of the era of the three Kims, whether he himself leads the campaign or whether someone else emerges to lead it.

As we have discussed, both the ruling and opposition camps have been shaken by movements to realign their partisan structures, but for now there is little prospect of such realignments actually occurring. National Assembly Deputy Pak Chol-on first hinted broadly that a political realignment would occur and then deliberately swung away from such language. We cannot anticipate when he will return to the parapets, but return he will and with the purpose of purging DLP Executive Co-chairman Kim Yong-sam. The merger of the opposition camp is all but a dead letter, but a demand for a generational change, for the three Kims to leave politics, will surface once again, and once again the demand probably will originate from President Yi Ki-taek. Most observers believe that any attempt to comprehend demands for political realignment in both the ruling and opposition camps and demands for an end to the era of three Kims requires the analyst to pay stringent attention to the words and deeds of Pak Chol-on and Yi Ki-taek.

Editorial Notes Birth of New 'Party of Masses'

SK1611144490 Seoul HANGUK ILBO in Korean
11 Nov 90 p 2

[Editorial: "The Launching of a Progressive Party—It Should Obtain the People's Sympathy To Firmly Take Root Among Them"]

[Text] Progressive forces, which have struggled to win the right to survival and achieve democracy, have formed a political party and have declared its participation in politics within the system as a legal political group. This is a noteworthy event. The formation of the Party of the Masses is worth welcoming since it is the first attempt for the normal participation of dissident forces in politics in the Sixth Republic. We expect the Party of the Masses to play a role of giving fresh stimulus to the existing political circles by accommodating the people's broad demands for reform, by pushing ahead with reasonable policies in each field, and by showing new political behavior.

The combination of conservatism with progressivism is an essential requirement for democracy and the development of the state. Of the countries that seek democracy, such a country as ours, where the formation of progressive forces has been difficult, will be very rare. It is well known that the Progressive Party in the 1950s, reformist parties during the Second Republic, and the United Socialist Party after the 16 May coup d'etat failed to develop smoothly but came to an early end.

There has been good reason that these progressive forces failed to take root among the people. As a result of the 25 June war, the general view of the people has been that a progressive party is a pro-communist party. In addition, an overwhelming majority of conservative forces have exercised the tyranny of monopolizing politics. Also, there has been a decisive defect among progressive forces. They have help up the policy of extreme reform as an ideal policy and thus, have failed to correctly convince the people of it. In a sense, this attitude toward progressive reformists still exists among the people. This was confirmed by the defeat of dissident and progressive candidates in the 13th general elections.

Therefore, the Party of the Masses, which has joined politics within the system full blown, takes great responsibility. It is difficult, however, for the majority of the general populace to express their favorable attitude toward the Party of the Masses, which claims to be "the first progressive party which the masses have directly built since the Korean war." The reason is that the party gives precedence to speaking for the interests of certain social segments by laying an extremely heavy emphasis on the masses, the grass roots. The Party of the Masses, which believes workers, peasants, and poor urbanites to be their supporters, seems to underline these strata too strongly. This can, however, possibly incite unnecessary alertness among other social strata. We are of the opinion that some may be suspicious of the party's specific lines of establishing a masses-oriented government and building a masses-led self-reliant economy.

There are some preconditions for the Party of the Masses to develop into a sound progressive and reformist party. The first precondition is that it should erase from the people its image as fight-oriented dissident forces and give the people a new image as a policy-oriented party with which the people can sympathize. As long as the people feel that dissidents or reformist forces are militant forces, the party cannot take root among the people.

The second precondition is that the party should not adopt radical reforms, but take the line of gradual improvement and correction. It is desirable to give up the attitude of reforming and correcting all systems and realities in a short period of time with extreme idealism. The third precondition is to discard the idea that the party forces themselves are good, but the existing political system and other forces are evil. The resolute struggle of dissident forces against the dictatorial system during the past dark periods is worthy of high evaluation. It is mistaken and fallacious, however, to believe themselves worthy of a proper reward in realistic politics for their past struggle. In conclusion, we would like to emphasize that though it lacks funds and personnel, the progressive party is needed to give a fresh incentive to the existing politicians and parties by showing upright political behavior and by abiding by a democratic principle.

No Tae-u, Kim Tae-chung Expected To Meet

SK1811034490 Seoul THE KOREA TIMES in English 18 Nov 90 p 2

[Text] An exclusive meeting between President No Tae-u and main opposition leader Kim Tae-chung is expected soon after Kim's Party for Peace and Democracy return to the National Assembly next week ending its three month boycott.

Kim Yong-sam, executive chairman of the ruling Democratic Liberal Party [DLP], is learned to have recommended the idea to President No last night.

After a private meeting with Kim Yong-sam, President No, who concurrently heads the DLP, had dinner with Kim, the two other DLP co-chairman, Kim Chong-pil and Pak Tae-chun, and four key officers of the ruling party.

The key officers on hand were secretary general Chong Sun-tok, chief policymaker Choe Kak-kyu, floor leader Kim Yun-hwan and Rep. Kim Tong-yong, first state minister for political affairs.

The government party leaders discussed how to promote party solidarity, following for the time being an end to serious factional strife.

They were also believed to have reviewed earlier government plans to curb the price of rice to be purchased by the government to under 10 percent.

Kim Tae-chung Seeks To Legislate Autonomy Law

SK1911034590 Seoul YONHAP in English 0259 GMT 19 Nov 90

[Text] Seoul, Nov. 19 (YONHAP)—South Korean opposition leader Kim Tae-chung, president of the Party for Peace and Democracy (PPD), said Monday he will seek to legislate a law on local autonomy in the current National Assembly sitting.

As the 70-member PPD was returning to parliament, Kim told a news conference at party headquarters that his party would push for the legislation of the implementation of local autonomy in the current session so the government and ruling party could not go back on their word.

The assembly has been inactive since July, when opposition lawmakers submitted their resignations to protest the ruling party's railroading of controversial bills.

Rejecting a single-digit increase in the government purchase price of farmers' rice, Kim said the PPD would fight for a 23.9-percent hike and a purchase amount of 12 million som (17.2 million tons).

Kim said his party would seek to lower the almost 30 percent expansion in the budget, and would seek to reorganize the tax and budget system so that revenue is used for laborers, wage earners, farmers and owners of small- and medium-sized companies.

Kim said his party would try to reform controversial laws, including the National Security Law, and reorganize the Defense Security Command.

DLP, PPD Agree on Local Elections Next Year

SK1811032590 Seoul THE KOREA HERALD in English 18 Nov 90 pp 1, 5

[Text] The ruling and opposition parties yesterday agreed to hold local elections from early next year, capping months of on-and-off negotiations on the local autonomy issue. Lawmakers of the main opposition Party for Peace and Democracy [PPD] will return to the National Assembly tomorrow as a result of the agreement, ending a four-month boycott.

Under the agreement, signed by the floor leaders of the ruling Democratic Liberal Party (DLP) and the PPD, local council elections will be held during the first half of next year and gubernatorial and mayoral elections in the first six months of 1992.

Parliamentary elections are also scheduled for early 1992.

They agreed to let parties field candidates in council elections in large districts such as provinces and big cities and gubernatorial and mayoral elections. But party nomination will be excluded in other local elections. Both parties will take up the issue later. The PPD had demanded that parties be authorized to put up candidates in provincial elections at all levels.

Under the agreement, the two sides will soon begin the task of implementing local autonomy, enacting or revising autonomy-related laws in the Assembly, PPD floor leader Kim Yong-pae said. The floor leaders also decided to act on bills related to the National Assembly Law and the laws regarding the Defense Security Command [DSC] and the Agency for National Security Planning. To this end, the rival parties will begin working-level talks soon.

As requested by the PPD, the Assembly will set up a joint panel to handle pressing issues "directly affecting the livelihood of the people."

The parties agreed to revise the law on the Defense Security Command to bar its members from conducting political surveillance of civilians. The DSC recently was found to have been conducting watch on 1,300 politicians, students, dissidents and others.

PPD floor leader Kim Yong-pae said all of his 70 lawmakers will return to the National Assembly probably tomorrow. They handed in their resignations in July to protest the DLP's unilateral passage of controversial bills.

The National Assembly convened a 100-day regular session Sept. 10 but suspended activities after opposition lawmakers refused to take their seats.

The opposition party had also asked the ruling party to drop plans to revise the Constitution in favor of a cabinet form of government, a demand that was met when ruling party leaders agreed to retain the current presidential system.

Kim Tae-chung, PPD leader, will hold a news conference tomorrow to announce his return to the legislature.

Opposition Lawmakers Join National Assembly

SK1911025590 Seoul YONHAP in English 0212 GMT 19 Nov 90

[Text] Seoul, Nov. 19 (OANA-YONHAP)—The South Korean National Assembly returned to normal Monday, with opposition lawmakers taking their seats for the first time in four months.

The return was made possible by an agreement between the ruling Democratic Liberal Party (DLP) and Kim Tae-chung's Party for Peace and Democracy (PPD) Saturday on implementing local autonomy, one of two conditions for normalizing the assembly.

The DLP and PPD agreed to hold local council elections in the first half of next year and gubernatorial and mayoral elections within one year of that. They also agreed to let parties field candidates, but only in large districts such as provinces and cities.

It was agreed not to push for constitutional revision to adopt a parliamentary cabinet system as long as the people are against it and to reform the Defense Security Command, under fire for undercover operations against civilians.

They also agreed to set up a joint committee to handle issues related to the people's livelihood and democratic reforms such as revision of the National Security Law.

A policy address by president No Tae-u was to be read to the full assembly Monday afternoon by Prime Minister Kang Yong-hun and the 1991 state budget introduced.

The assembly has just 30 days to handle national issues, including the budget and enacting or revising autonomy-related laws, before the end of the sitting.

The assembly is to hear policy addresses by DLP Executive Chairman Kim Yong-sam and PPD head Kim Tae-chung Tuesday. The schedule set by the ruling party until recess Dec. 18 includes interpellation Nov. 21-23, audit and inspection of 106 government agencies Nov. 24-30 and deliberation on the budget from Dec. 1, in addition to negotiations on autonomy-related laws.

The PPD, arguing that 30 days are not enough time to handle the national issues, has asked that a special session be called just after the regular session so debate on budget issues can be extended. The assembly convened on Sept. 10 but has wasted over two months of its session because PPD lawmakers refused to attend. All 70 PPD lawmakers and eight from the Democratic Party handed in their resignations in July to protest the DLP's unilateral passage of controversial bills.

As for local autonomy, the ruling party wants only the Local Council Election Law to be concluded in the regular session and the gubernatorial and mayoral election law to be handled after because the elections will come one year after local council elections.

The PPD contends the two laws should be simultaneously settled in the current session, raising the possibility of controversy despite their basic agreement on implementing local autonomy.

Hard bargaining is also expected as the parties differ over basic details such as the format of local constituencies and on whether to allow party heads and lawmakers to campaign for their party's candidates in local council, gubernatorial and mayoral elections.

The PPD warned it would not cooperate in passing the budget unless local autonomy-related laws were settled before the end of the sitting, but the ruling party insisted the budget be passed regardless of progress on the autonomy issue.

Lawmakers Comment on Current Political Situation

SK1811044890 Seoul CHOSON ILBO in Korean 15 Nov 90 p 4

[From the column "News Behind News"]

[Text] At a time when public attention is glued to the group of first-term Democratic Liberal Party [DLP] lawmakers in their forties to see whether they can usher in a new political climate or not, the three factions of the DLP seem to give an affirmative rating to the formation of the group.

After being briefed on the formation of this group from lawmakers Kim Tok-yong and Yi In-che at his home in Sangdo-tong on the morning of 14 November, DLP Co-chairman Kim Yong-sam is reported to have said: "As long as it stops short of disintegrating the cohesion of the party's factional groups, I do not mind people forming a group transcending the factional interest." His words as such were conveyed by lawmaker Yi.

DLP Secretary General Chong Sun-tok also welcomed it, saying: "Since it aims to break away from the way the party's different internal factions scramble to run the party placing their own interest ahead of others, I find it to be good for revitalizing the party."

Lawmaker Pak Chol-on is reported to have said: "Some of my fellow lawmakers asked me to join them in forming a group with a view toward changing the disposition of the party. But I stayed away after considering many things. Nevertheless, I extend unqualified support to their goal."

He continued: "I am positive that when the National Assembly goes into recess early next year, not only the "New Wind Movement," but also various calls for a change of generation and for a democratic way of running the party will emerge as forces in the party to be reckoned with." Thus, he predicted that the political situation will become complicated.

Lawmaker Pak remarked: "If the cabinet system answerable to parliament is impossible, the Constitution should be amended to keep the current presidential form of government a purely presidential form of government after adding to it the vice presidential office." His opinion, so strikingly similar to a recent call of the Party for Peace and Democracy President Kim Tae-chung for a constitutional amendment, drew attention.

In the meantime, when his plan to host a reception for foreign diplomats in Seoul scheduled for 19 November encountered an objection from party members, Co-chairman Kim Yong-sam announced: "Since the National Assembly still remains paralyzed and is unable to do anything about pressing issues related to public livelihood, I will postpone the plan."

Brunei, Malaysia & Singapore

Malaysia

Government To Monitor U.S. Ships in Singapore

BK2011064590 Kuala Lumpur BERNAMA in English 0415 GMT 20 Nov 90

[Text] Kuala Lumpur, Nov 20 (OANA-BERNAMA)—Malaysia will closely monitor the presence of U.S. warships in Singapore which recently signed an agreement allowing them to use service facilities in the island republic, Foreign Minister Abu Hassan Omar said. We take it that this is the understanding; it is not a permanent base but it is just for maintenance and servicing of U.S. warships and nothing more, he told reporters Monday night.

He said Malaysia had made it very clear to the Singapore Government that it had no objection to the agreement and it was now left to both the United States and Singapore to comply strictly to the pact. He added that anything which might be construed as a permanent U.S. military base in Singapore would be unacceptable to Malaysia because this was contrary to ASEAN's goal of establishing a zone of peace, freedom and neutrality (ZOPFAN).

Under the pact signed by outgoing Singapore Prime Minister Lee Kuan Yew and U.S. Vice President Dan Quayle in Tokyo on November 14, U.S. Navy ships will be able to visit Singapore more often and the U.S Air Force would send aircraft for training sorties several times a year.

Singapore also agreed to make minor modifications at its own expense to its military facilities to allow more U.S. ships to stay for longer periods. Abu Hassan said Malaysia was pre-informed of the signing of the U.S.-Singapore pact. He also said that the Singapore Government would have to seriously consider the possibility of the U.S. making use of the facilities to enhance its influence in this part of the world. Singapore is a sovereign country but, being our neighbour, it will have to respect our internal policy with regards to our [words indistinct] he added.

Abu Hassan said he expected Singapore to also consider the sensitivities of other member countries of ASEAN on the issue, including the possibility of U.S. nuclear warships going to Singapore for repairs and servicing.

Minister Urges Nonmilitary Options in Gulf

BK2011082090 Kuala Lumpur BERNAMA in English 0754 GMT 20 Nov 90

[Text] Kuala Lumpur, Nov 20 (OANA-BERNAMA)—Malaysian Foreign Minister Abu Hassan Omar said Tuesday, every possible diplomatic and political solution should be considered before military action is taken to force Iraq's withdrawal from Kuwait. We would want to avoid military action in order to achieve a solution to this problem, he said, commenting on the U.S. bid to garner support of the UN Security Council members to agree to using military force against Iraq.

He said UN resolutions on the crisis passed by the 15-member council, which include economic sanctions, should be given time to work. "I do not think that the United Nations is running out of non-military options," he added.

We also need time to ensure that certain peace initiatives undertaken by various people would be concretised before any military action is taken, he told a news conference here.

Abu Hassan had earlier discussed the question of using military force against Iraq with the chairman of the Foreign Affairs Subcommitee for Asian and Pacific Affairs, Stephen J. Solarz, who is here on a brief visit. The subcommittee comes under the U.S. House of Representatives Foreign Affairs Committee. This is Solarz's first visit to Malaysia.

The United States is trying to push for the UN Security Council to adopt a resolution allowing military action against Iraq. Malaysia is currently a non-permanent member of the council.

"Should the resolution come up for vote," Abu Hassan said Malaysia's decision would be made after further discussions with the other council member countries, including the permanent five members and those belonging to the non-aligned movement.

Abu Hassan also confirmed that Malaysia and three other security council members—Cuba, Yemen, and Colombia—were attempting to draft a separate initiative which advocates a peaceful solution. This should not be seen as a deliberate move to counter the U.S. bid for military action, he said. Members of the Security Council should be given the option to look at various moves rather than just one aspect of a solution.

Defense Ministry To Buy 28 Bombers From Britain

BK1911071490 Hong Kong AFP in English 0252 GMT 19 Nov 90

[Text] Kuala Lumpur, Nov 18 (AFP)—Malaysia has decided to buy 28 Hawk fighter-bombers for two billion dollars (740 million U.S.) from Britain, press reports said.

The reports Sunday cited Defence Ministry Secretary-General Nasruddin Bahari as saying that the first aircraft, which will complement and later replace Malaysia's ageing Skyhawks, could be delivered in 1993. He said that the government will buy 10 single-seater Hawk 100 and 18 twin-seater Hawk 200, which would be used for training.

Mr. Nasruddin said the Defence Ministry expected to conclude the deal this month with the aircraft manufacturers, British Aerospace. The Hawk deal is part of a 4.5 billion dollars (1.6 billion U.S.) arms deal with Britain under an outline agreement signed in 1988.

Vice Premier Unveils World Peace 'Formula'

BK1211072590 Kuala Lumpur BERNAMA in English 0643 GMT 12 Nov 90

[Text] Kuala Lumpur, Nov 12 (OANA-BERNAMA)—Malaysian Deputy Prime Minister Ghafar Baba Monday put forward a five-point formula to achieve world peace. The five points of the formula are:

"Iraq must get out of Kuwait.
"Israel must restore the rights of the Palestinian people.
"South Africa's blacks should be given voting rights.
"Rich nations must help the poor countries.
"The debts of nations nearing bankruptcy should be written off. [quotation marks as received]

Ghafar unveiled his formula when opening a mock session of the United Nations General Assembly at the University of Malaya here. The two-day assembly is being attended by 160 students from local institutions of higher learning. The students, intellectuals, and others present applauded the deputy prime minister when he put forward his formula.

Speaking to reporters later, Ghafar said the formula represented the official stand of the Government of Malaysia.

Opening the "UN General Assembly," Ghafar said rich countries which were fortunate in achieving rapid progress earlier should give a helping hand to the poor ones. They should not restrict in any way the growth and progress of the poor countries, he added.

On his call to the rich countries to write off the debts of those poor nations nearing bankruptcy, Ghafar said it did not involve Malaysia. We are capable of servicing our debts, the deputy prime minister said. Developed countries had full confidence in Malaysia's ability to repay and they were ever ready to give loans to this country, Ghafar added. He said Malaysia had the respect of the rest of the world for its neutral stand and courage in voicing its views on major world issues and for its commitment to democracy.

Mahathir Exposes Plan by Sabah Government

BK1711081590 Kuala Lumpur BERITA HARIAN in Malay 10 Nov 90 p 1

[By Zaini Zainuddin]

[Text] Kuala Lumpur, Friday—Datuk Sri Dr. Mahathir Mohamed today exposed another plan by the Sabah state government to create anti-central government sentiment among the state nationals particularly after Parti Bersatu Sabah (PBS) teamed up with the opposition front.

The prime minister said the PBS deliberately established the Political Economic Institute (IEP). He said, "The institute planned to create a center for indoctrination and interest was centered on anti-federal government sentiment. They want to train Sabahans, especially the youths, to have an anti-federal government attitude."

He said the government will not hesitate to take action against those responsible if it was found that such a practise was detrimental to national security and people's well-being.

Speaking after the Prime Minister's Quality Award presentation ceremony here today, the prime minister said, "Action will also be taken if the IEP influences Sabahans toward urging the state to quit Malaysia."

Last Sunday, Sabah Chief Minister Datuk Sri Joseph Pairin Kitingan, who is concurrently the PBS president, announced the establishment of the institute which would provide training for the party's basic force to meet future challenges. The IEP will provide training in fields of political leadership, management, administration, human development, civics, moral and self-reliance.

The prime minister said Sabah had not adhered to any of the federal government policies.

According to him, Sabahans do not really hate Malaysia, but what happened was that the state government had succeeded in poisoning the mind of a part of the community to abhor the federal government. He said, "We are aware that it is within a state government's right to influence its citizens concerning any policy. As such, we will make every attempt to ensure that Sabahans will have every right to make their own decisions as Malaysians."

Datuk Sri Dr. Mahathir said currently proof has yet to be ascertained if the PBS' plan could threaten national security.

Asked if Datuk Pairin's current action was considered extreme, he said: "It is up to the people to determine whether his action is extreme or not."

On the continuing logging export activities conducted by Sabah and Sarawak, the prime minister said the federal government had previously urged the two states to conduct such activities only for local consumption and supply to the domestic industries. He said, "It does not matter if timber is insufficient for Malaysia but it would be a problem for Sabah if such a commodity is insufficient...factories would have to be closed down."

He added that the federal government has no power to deter such activities because every state is responsible for managing its own natural resources. He said, "Laws pertaining to state power cannot be reformed unless agreed upon by that state itself."

Asked whether the central government would provide compensation to Sabah and Sarawak if their timber export were halted, the prime minister said: "We must shoulder such a burden equally."

On the issue of State Treasurer Tan Sri Zain Azraai's termination as chairman of the Sabah Forstry Industries (SFI), the prime minister said the government will review its stand on whether to continue being a guarantor for the SFI's financial loans.

Minister Criticizes Forum on Deforestation

BK1011010790 Kuala Lumpur International Service in English 0600 GMT 9 Nov 90

[Text] Malaysia has hit out at industrialized countries for sidetracking from the issue of emission of harmful greenhouse gases in those countries by focussing on deforestation in developing countries. Science, Technology, and Environment Minister Law Hieng Ding told a conference on world climate in Geneva that there appeared to be a concerted effort by some developed countries to circumvent decisions on the need to control and reduce emission of green-house gases, especially carbon dioxide. He said deforestation contributed about 9 percent of the total carbon dioxide emitted into the atmosphere compared with 75 percent emitted through other uses and applications in developed countries.

Encik [Mr.] Law said Malaysia, which is fully committed to the concept of sustainable development and forestry management, had been made the victim of deforestation policy of the developed countries. The text of his speech was released in Kuala Lumpur. He pointed out that the leaders of the industrialized countries are more or less concerned with the state of the world's forest cover when a minimum level of forest cover for the world [words indistinct]. This level should then be the minimum target of all countries, especially the industrialized countries which have already destroyed their forests.

Expansion of Economic Ties With Ghana Planned

BK1311094090 Kuala Lumpur International Service in English 0800 GMT 13 Nov 90

[Text] Malaysia and Ghana have agreed to expand bilateral economic ties particularly in the field of trade in the interest of an honest South-South cooperation. Malaysian Foreign Minister Datuk Abu Hassan Omar said both countries are looking into the possibility of establishing some form of bilateral payment arrangements to facilitate trade.

Total trade between the two countries in 1987 was four million ringgit, mostly in Malaysia's favor. Malaysia exported 3.9 million ringgit worth of products mainly office equipment and imported aluminium from Ghana. Malaysia has agreed to Ghana's request for technical assistance in planting oil palm and cacao and in processing palm oil. Malaysia also agreed to help Ghana in upgrading its tourist and goods packaging industry. Datuk Abu Hassan said this at a news conference in Kuala Lumpur.

He earlier had an hour-long meeting with the visiting Ghanian Trade and Tourism Minister, Hudu Yahaya Idrissu, at the Foreign Ministry in the federal capital. Mr. Idrissu arrived today for four-day visit to Malaysia. The visit is a follow-up from discussions between Prime Minister Datuk Sri Dr. Mahathir Mohamed and Ghana's member of the Provisional National Defense Council, Justice Daniel F. Annan, during last October' Commonwealth summit in Kuala Lumpur.

Joint Military Exercise With Indonesia Held

BK1611142390 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 16 Nov 90

[Text] A joint military exercise between Malaysian and Indonesian army personnel, code-named "Kekar Malindo," was launched today. For the first time, the exercise included a fly past by paratroopers from both forces. Malaysian Army Chief General Tan Sri Yaacob Mohamed Zain said the exercise is being carried out as a preparation for the "Malindo Darsasa 3A-B" joint military exercise to be held next year. Today the army chief launched the "Kekar Malindo 20B/90" exercise at Wardieburn Camp in Kuala Lumpur.

The annual exercise will also be held in the Karatong area, Bahau, Negeri Sembilan for one week, to be carried out by the 11th Malaysian Infantary Division under the command of Brigadier General Datuk Haji Yahya Haji Yusoff, with Indonesian Army Colonel D. Mohidin as the deputy commander. Malaysia is represented by the 1st Battalion Rangers and 1st Company from the 8th Battalion Rangers. Indonesia is represented by the 328th Company from the combat team.

Singapore

Paper Defends U.S. Use of Military Facilities

BK1911133490 Singapore THE STRAITS TIMES in English 17 Nov 90 p 32

[Editorial: "Facilitating Security"]

[Text] The agreement signed between Singapore and the United States this week giving Washington increased use of military facilities in the Republic is a small step which, however, represents a significant contribution to Asia-Pacific security. The step is small because of the scale of activities involved. About 95 US Air Force and Navy personnel will be permanently stationed in Singapore; and another 75 Air Force personnel will join them during training deployments. This staff will support the training deployment of US military aircraft to Singapore several times a year and the increased number of US ships that may call here.

The agreement does not visualise the creation of new US bases in Singapore; all that will happen is that existing access will be expanded.

Where the agreement goes beyond the effect suggested by its scale is in the area of regional security. There are three major issues at work in this context. First, the Soviet Union's military retrenchment in Pacific Asia has resulted in increasing pressure on the US Administration to justify to the American public the country's large and costly military presence in Asia. Secondly, were the US to disengage from the Western Pacific, it requires little imagination to see that a security vacuum would follow, sucking in a number of regional powers intent on setting up a new security structure. The problem is that these powers have too little in common in terms of their fundamental interests and perceptions to ensure that the transition to a new order would be smooth. Thirdly, the future of the US bases in the Philippines is being re-examined. This has partly to do with rising Philippine nationalism; many nationalists ask why their country should be the only one in South-east Asia to host the Americans when ASEAN as a whole benefits from that presence.

Singapore's agreement with the US answers each of these issues. First, Singaporeans find nothing embarrassing in acknowledging the security role—both military and economic—that the US has played in Pacific Asia's remarkable progress since the end of World War II. The American military presence has been a non-threatening one to ASEAN; it has deterred Soviet expansionism in Pacific Asia; and it has allowed ASEAN to channel into economic development precious resources that otherwise would have gone into military spending. US investment in, and trade with, a stable ASEAN has enhanced the region's economic progress. Making the Americans feel unwanted here serves no fruitful purpose. In fact, possible US disengagement—the second point—would pose fundamental questions about the continuing viability of that beneficial security structure as emerging regional powers attempt to recreate the Pacific Asian system along other lines. Thirdly, Singapore has behaved as a responsible member of ASEAN by sharing the contribution which the Philipines makes to regional security by hosting the US presence. There are indications that some other ASEAN countries could make similar moves. Indeed, the process could go beyond ASEAN, with Vietnam apparently not averse to the US using Cam Ranh Bay on a commerical basis should the Americans want to.

In light of these factors, it is difficult to understand the continuing expressions of sceptism in some quarters over the purpose of the agreement. Two regional papers, harping on what is by now an old theme, ask whether the move is an attempt by Singapore to improve its own security situation by enlisting the help of an external power. They miss the point. In the sense that enhanced regional security translates into greater security for Singapore, as for other members of ASEAN, it is certainly true that the US presence is beheficial to Singapore. However, it is quite another matter to suggest that the agreement exemplifies Singapore's dependence on the US for its security. The Republic is quite capable of defending itself.

Future Premier Goh Pledges 'No Radical Changes'

BK1811121690 Singapore Domestic Service in English 1100 GMT 18 Nov 90

[Text] The first deputy prime minister, Mr. Goh Chok Tong, says there will be no radical changes when he takes over as prime minister later this month. Mr. Goh says he will build on what the People's Action Party [PAP] has achieved. He added the secret of success was to get more good people into the party and this would be his top priority.

Mr. Goh, who is also the PAP first assistant secretary general, was addressing several hundred party members at the party's biennial conference. Mr. Goh also spoke about [words indistinct] which he had to make on his own.

On Mr. Lee Kuan Yew's role after he steps down as prime minister, Mr. Goh said it would not be good for Singapore if Mr. Lee becomes a back bencher. Mr. Goh believed that Mr. Lee should be a senior minister. He said he would assess the situation again two years from now.

On who should be acting prime minister when he is away, Mr. Goh said he would have chosen Mr. Ong Teng Cheong or Dr. Tony Tan [words indistinct]. Mr. Goh said he wanted to signal that succession in Singapore was a continuous exercise by choosing Brigadier General Lee Hsien Loong. He pointed out that Gen. Lee was a partner in the new leadership, and not a rival.

On Mr. Lee Kuan Yew's remaining as the PAP secretary general, he said Mr. Lee can stay on in the role as long as he wishes. Mr. Goh likened Mr. Lee's role to that of a good [words indistinct].

The prime minister also spoke at the party conference. Mr. Lee Kuan Yew said he is confident that the second-generation leaders will succeed. He described them as an extraordinary team where no one was hungry for power. Mr. Lee also said [words indistinct] would be to hand over and to see (?that occur).

Today's party conference [words indistinct] electing 12 members into the PAP Central Executive Committee for 1991-1992. There were no new faces except for Brig. Gen. George Yeo, the minister of state for finance and foreign affairs. [passage indistinct]

Cambodia

Khmer Rouge Receive New PRC-Made Artillery

BK2011131690 Hong Kong AFP in English 1300 GMT 20 Nov 90

[Excerpts] Bangkok, Nov 20 (AFP)—The Khmer Rouge, the strongest guerrilla faction fighting Phnom Penh's Vietnam-installed government, has received fresh deliveries of heavy artillery from China, informed sources here said Tuesday.

The Khmer Rouge has been given Chinese 130mm guns with a range of some 25 kilometers (15 miles), said the sources who asked not to be identified.

The report of the deliveries came as Cambodia's warring factions prepared to step up their guerrilla activities with the approach of the dry season.

The factions have accepted a United Nations-brokered framework to end their 12-year-old war and set up a joint interim authority, the Supreme National Council (SNC), with six representatives each for Phnom Penh and the guerrilla coalition, which joins the Marxist Khmer Rouge with two U.S.-aided non-communist factions. [passage omitted]

China, which has given massive aid to the Khmer Rouge and residual assistance to its non-communist partners, has said it would stop shipments of weapons to the guerrillas if there were a general agreement ending all outside military aid.

Phnom Penh's forces have been equipped with Soviet military aid, including aircraft, tanks and armoured personnel carriers.

The guerrillas have captured some Soviet-made T-54 tanks as well as artillery pieces from Phnom Penh forces, and, according to last month's reports, the Khmer Rouge has now received up to 24 Chinese T-59s which are modelled after the T-54s.

Officials familiar with Thai Prime Minister Chatchai Chunhawan's discussions earlier this month in Beijing said Chinese leaders had reiterated their stand on an end to outside military aid.

The Chinese leaders also assured Mr. Chatchai that all shipments to the anti-Phnom Penh guerrillas resulted from old undertakings and there had been no recent agreement with Beijing for military aid, the officials who asked not to be identified said.

China feels a settlement is inevitable, with the Khmer Rouge trying to compound its military strength in order to strike the best possible deal, they said.

(In Hanoi, Vietnamese Foreign Minister Nguyen Co Thach said he was optimistic the Paris International Conference on Cambodia would resume before the year's end.)

The 19-country paris conference, which broke up in failure last year over differences between the factions on power-sharing, is to finalise the U.N. blueprint for peace.

But Radio Phnom Penh, in a broadcast monitored here Tuesday, said Cambodian Prime Minister Hun Sen had warned that unless the dispute over composition of the SNC was resolved soon, the Jakarta agreement between the factions and the Paris conference would both be at risk.

Sources Say Khmer Rouge Firm on SNC Stance

BK2011021790 Bangkok BANGKOK POST in English 20 Nov 90 p 7

[Text] The Khmer Rouge remains firm on its position that the issue of the Supreme National Council [SNC] vice-chairmanship be discussed only after Prince Norodom Sihanouk becomes SNC chairman, informed sources said yesterday.

The sources said it was difficult under the present circumstances to envisage a second SNC meeting in the immediate future.

The Khmer Rouge reconfirmed its position on Saturday despite a statement by Prime Minister Chatchai Chunhawan's policy adviser Phansak Winyarat that Sihanouk has accepted Phnom Penh Prime Minister as vice-chairman.

Mr Phansak said the prince agreed to have Mr Hun Sen as vice chairman after he was shown a letter Phnom Penh Foreign Minister Sok An sent to Gen Chatchai's son and adviser Kraisak, saying Mr Hun Sen was willing to accept the prince as chairman if he was made vice chairman.

The letter also said Mr Hun Sen would become the 14th member of the SNC.

Mr Phansak said that during the prince's meeting with Gen Chatchai on Thursday he said he had told the Thai delegation that Mr Hun Sen was opposed to him being the SNC chairman.

Mr Phansak said yesterday the prince did not believe Mr Hun Sen would accept him as the SNC chairman until he was shown Mr Sok An's letter to Mr Kraisak.

Mr Sok An said in his letter dated October 31 that Phnom Penh would "welcome the resumed session of the SNC in Bangkok so as to push forward the peace process, to appoint a delegation to the United Nations General Assembly and to discuss other issues such as the military self-restraint, the cessation of foreign military assistance.

"In order to get over the problem of the SNC chairmanship and vice-chairmanship, we wish to suggest the following options as alternatives: co-chairmanship, co-chairmanship by rotation or chairmanship by rotation.

"Peace Process"

"But in case that the other side now wishes to propose to compromise on the package: chairman, 14th member and vice-chairman (H.E. [His Excellency] Mr Hun Sen) of the SNC, we would be ready to accommodate in order to get the peace process moving ahead towards a final settlement.

"But this package must be accepted simultaneously," Mr Sok An said.

Mr Phansak quoted the prince as saying that it was "unbelievable" Mr Hun Sen had accepted his proposals.

Mr Phansak said the prince's position put the ball back in the Khmer Rouge and China's court.

"It is now up to the Khmer Rouge and China," he said.

However, informed sources said that during their meeting with Sihanouk the Thai delegation had raised three possibilities for breaking the deadlock over the chairmanship and vice chairmanship.

Sihanouk was asked which of three options he preferred: the prince as chairman with Mr Hun Sen as vice-chairman; the prince as chairman with Mr Hun Sen rotating with Mr Son Sann as vice-chairman; or the prince as chairman with Mr Hun Sen being the first vice-chairman, Mr Son Sann second vice-chairman and Mr Khieu Samphan third vice-chairman.

The prince reportedly said he would accept "any solution" agreed upon by consensus of the leaders of the four warring factions.

Asked about Mr Sok An's letter, the sources quoted the prince as saying "Hun Sen has accepted all my proposals," that is Sihanouk as chairman on condition that only Hun Sen is made vice chairman and that there are 14 members in the SNC.

Diplomatic sources aid yesterday nationalist leader Son Sann and Khmer Rouge leader Khieu Samphan were informed of the Phnom Penh position once the Thai delegation returned.

Mr Son Sann has not yet responded to the Phnom Penh letter, but the Khmer Rouge has not changed its position that the SNC vice-chairmanship be discussed after Sihanouk is appointed the SNC chairman.

Hun Sen Criticizes Sihanouk Role in SNC

BK1911172390 Phnom Penh Domestic Service in Cambodian 1300 GMT 19 Nov 90

[Speech by Hun Sen at ceremony to inaugurate the junior high school in Roka Khnao commune, Kroch Chhma District, Kompong Cham, on the morning of 18 November]

[Excerpts] [passage omitted] I wish to inform His Excellency Son Sann and invite him to have a close look at the document of the Big Five and to repeatedly look through the Jakarta document to see whether there is any word that requires the election of Samdech Sihanouk as chairman of the Supreme National Council [SNC].

I wish to proclaim to the compatriots all over the country and the world that if they [Cambodian opposition] still insist on violating and interpreting the law abusively, then this will force the Phnom Penh side not to amend the Supreme National Council [SNC] set up in Jakarta, even though there is support from other people. The non-modification and non-amendement of the Jakarta document would mean that Samdech Sihanouk is excluded from the SNC forever. Do not dream of being elected chairman [of the SNC], you cannot even be a member if they [Cambodian opposition] continue to commit violations and force us to take such measures. [passage omitted]

At present, there are only three choices left:

1. The SNC can begin its activity right away without waiting for Sihanouk, because the Cambodian problem is not that of Sihanouk. The Cambodian problem is the issue of the SNC. Now, do countries worldwide consider Sihanouk or the SNC the key? If the SNC is considered the key, the SNC should proceed with a great deal of work, such as a voluntary cease-fire, cessation of military aid, sending a delegation to the United Nations, and promoting the Paris international conference with a view to achieving an agreement (?without waiting for Sihanouk). [passage omitted].

This is the first choice.

2. The second choice—the SNC can be dissolved. If you consider Sihanouk the key, you could dissolve the SNC. But you should not forget that the SNC was established in Jakarta. The survival of the SNC is linked to the survival of the document forged by the Big Five and that of the (?Paris) conference. If you believe that the work cannot be accomplished without Sihanouk, and you dissolve the SNC, that will be your problem. I will raise this question with the co-chairmen of the Paris conference—Indonesia and France. [Passage omitted]

3. The third choice is a choice with concession [words indistinct]. We do not present the proposal. We want to clearly tell Mr. Son Sann and Mr. Khieu Samphan that the Phnom Penh government has selected six members from the Phnom Penh side. It has not asked for them. [words indistinct] Samdech Sihanouk is inside or outside of the SNC. If he is outside of the SNC, he should remain so forever. He should not disturb the other people. Let them work. [passage omitted]

If all the gentlemen of the other side want the samdech to be (?chairman), you should present your proposal to Phnom Penh in writing and not via newspapers. You should write to Phnom Penh that Samdech Sihanouk is asked to be included in the SNC. The Phnom Penh side will [words indistinct]. The Phnom Penh side has seen that there are two ways to facilitate the proposal. Through the way of 12 [members], a member of the other side should be removed and replaced by the samdech. Or Samdech Sihanouk can add another member [words indistinct], and the Phnom Penh side will (?facilitate the arrangement) according to the seven-plus-seven formula. And upon (?election) of the chairman, if you give Phnom Penh [words indistinct], Phnom Penh will propose you as the chairman. [passage omitted]

1,596 Said Killed in Siem Reap-Oddar Meanchey

BK1411142990 Phnom Penh Domestic Service in Cambodian 1300 GMT 14 Nov 90

[Text] During the 1989-1990 dry season campaign, the armed forces in Siem Reap-Oddar Meanchey Province, in close cooperation with the cadres and combatants of the 4th Military Region stationed in the province, lauched 499 vigorous counterattacks against the tripartite enemy, putting out of action 3,909 [as received] enemy soldiers, including 1,596 killed, 1,409 wounded, 158 captured, and 716 who were persuaded to surrender. They also seized 1,633 assorted firearms and a great deal of war materiel.

Khmer Attacks on Railroad Lines Reported

BK1511053890 Phnom Penh SPK in English 0411 GMT 15 Nov 90

[Text] Phnom Penh SPK November 15—In September and October this year, the Khmer bandits on 21 occasions attacked the two railway lines: Phnom Penh-Battambang and Phnom Penh-Kompong Som, killing 24 people, injuring 30 others, and destroying some wagons, railway portions and bridges roughly worth 10 million riels (Cambodian currency).

Their sabotage attacks included mining or derailing trains, opening fire on passengers and plundering them.

According to Pich Kimsreang, chief of the Cambodian railway company, the Khmer bandits since early this year have caused losses of up to 500 million riels to the railway service.

To broaden its service, the company chief said, the company has imported 10 wagons from Vietnam, each of which costs five million riels, and it plans to buy two locomotives from the Czechoslovak Federal Republic next year.

Besides, a group of UN representatives have recently made a survey of the railway lines here and planned to fund 33 million U.S. dollars for the restoration of the railway portion from Sisophon to Poipet in the western border area.

Tie Banh Decorates 5th Army Region Combatants

BK1811102190 Phnom Penh Domestic Service in Cambodian 1200 GMT 17 Nov 90

[Summary] A ceremony was organized on 15 November at the command office of the 5th Military Region to decorate and promote cadres who were outstanding in past battles.

Presiding over the ceremony was General Tie Banh, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and defense minister of the State of Cambodia. Also taking part were Vice Admiral Nuon Sok, deputy defense minister; Lim Nai, secretary of the Kompong Som City party committee; and Major General Chay Sangyun, secretary of the Kampot Province party committee.

After decorating combatants, General Tie Banh called on all units to intensify efforts to attack the enemies and take care of the ships and economize fuel provided by the state.

Heng Samrin Congratulates New MPR President

BK1711125890 Phnom Penh SPK in English 0426 GMT 17 Nov 90

[Text] Phnom Penh SPK November 17—Heng Samrin, president of the State Council of Cambodia, has extended warm congratulations to Punsalmaagiyn Ochirbat, on his election as president of the People's Republic of Mongolia.

In his congratulatory message, the Cambodian leader expressed his firm conviction that the friendship and cooperation between Cambodia and Mongolia would be further developed in the interests of the two peoples and of peace in Southeast Asia and the world as a whole.

"I wish you success in your noble mission," the message concluded.

Hun Sen Congratulates New Indian Premier

BK1711125290 Phnom Penh SPK in French 0401 GMT 17 Nov 90

[Text] Phnom Penh 17 Nov (SPK)—Hun Sen, prime minister of the State of Cambodia, recently addressed his warm congratulations to Chandra Shekhar on the latter's election to the post of prime minister of the Republic of India.

In his message, the Cambodian leader expressed in particular his firm conviction that the relations of friendship and multiform cooperation between the two countries and people will be further consolidated and developed.

Hun Sen Plants Sacred Tree in Kompong Cham

BK1811095590 Phnom Penh Domestic Service in Cambodian 0430 GMT 18 Nov 90

[Text] On the morning of 17 November, the National Council of the Kampuchean United Front for National Construction and Defense handed over a pipal tree to Kompong Cham Province to be planted there and to create favorable conditions for our people to practice their faith. This pipal tree was taken to the province by Comrade Hun Sen himself, member of the party Central Committee Political Bureau and chairman of the Council of Ministers, who also took part in the planting ceremony with the local authorities and people.

The front National Council will successively hand over pipal trees to other provinces.

Laos

Thai Foreign Minister Subin Pinkhayan Visits

Ministers Exchange Speeches

BK1911081190 Vientiane Domestic Service in Lao 0500 GMT 19 Nov 90

[Text] Yesterday evening, Phoun Sipaseut, vice chairman of the Council of Ministers and minister of foreign affairs, organized a banquet at Lan Xang Hotel in Vientiane capital to honor a government delegation from the Kingdom of Thailand led by Dr. Subin Pinkhayan, minister of foreign affairs. The Thai delegation arrived in Vientiane at noon yesterday for a two-day official friendship visit to the Lao People's Democratic Republic [LPDR].

At the banquet, which proceeded genially, Phoun Sipaseut delivered a speech. In his speech, he highly assessed the visit to Laos by Dr. Subin Pinkhayan and his delegation as a significant event in enhancing fraternal relations between the two peoples of Laos and Thailand.

He said: [Begin Phoun Sipaseut Recording] The visit to Laos by your excellency following your assumption of the post as minister of foreign affairs is considered a significant event that will help enhance the time-honored relations of fraternal friendship between the two peoples of Laos and Thailand and further expand cooperation between the two countries in many fields. The exchanges of views between myself and your excellency this afternoon, which proceeded in a friendly manner and with good mutual understanding, have proven the aspiration. This will brighten the future of relations and cooperation between our two countries.

Your excellency, in looking back to the time since the signing of the Lao-Thai joint statement by the prime ministers of the two countries in late 1988, I am pleased to note that relations between the two countries have developed on the basis of mutual understanding and respect, friendship, and cooperation. In the Lao-Thai joint statement, the basic principles of Lao-Thai relations were specified and have since been systematically implemented. The visit to Laos by Her Royal Highness Princess Sirinthon in March 1990 and the meetings between the prime ministers of the two countries on many occasions have improved our political relations day by day. The two sides have regularly organized meetings and exchanges of views between the various branches at different levels in many fields. The frequent exchanges of visits between the peoples of the two countries have also enhanced mutual understanding and intimacy. Document exchanges and agreement ratifications between the government of the LPDR and the government of the Kingdom of Thailand on investment promotion and protection by both government representatives also took place early this month. These mark a significant milestone in relations and cooperation in the economic, trade, and investment fields. They have brought about confidence and assurance to the private sectors of both countries to invest. In addition, during a recent stopover in Bangkok on my way home from New York after attending the UN General Assembly session, I met and held consultations with your excellency on many issues, such as on ways to strengthen bilateral relations and cooperation on the basis of the regional situation that has created favorable conditions for us to help safeguard peace and stability in Southeast Asia.

Your excellency minister, though the relations and cooperation between our two countries in the previous years have positively developed in many fields as mentioned above, I observe that there are certain main issues that should be (?completely) settled to eliminate mutual suspicion and for good mutual understanding. These issues include trade, transportation of goods, and border issues. On the border issue, early this month the joint technical subcommittees of the two countries met and discussed the legal aspects of the case. Following the discussions, the technical subcommittees agreed to jointly conduct more topographic surveys of the border area during the late rainy season this year. I am of the view that under the new atmosphere of relations, the two sides will be able to settle the problem early. Another issue worthy of attention is the creation of an atmosphere of peace, stability, and cooperation in the region. In this regard, Thailand is among those who have contributed to the efforts to settle the Cambodian problem, efforts which will help reduce the sufferings of the Cambodian people.

Your excellency minister, distinguished guests, the Lao-Thai fraternal friendship have been improved, promoted, and expanded on the basis of the Lao-Thai joint statement signed between the two sides in late 1988. I am, therefore, convinced that the visit to the LPDR by your excellency and delegation on this occasion will be a new step in enhancing the traditional relations between the peoples of the two countries. The visit will also strengthen the benefits of cooperation for Laos and Thailand day by day

Once again, I would like to express my pleasure to have had the opportunity to welcome your excellency and delegation. I hope that your excellency will bring back to Thailand a good understanding of the LPDR. On this occasion, I would like to invite all of you here to toast to Lao-Thai fraternal friendship and cooperation, to the good health of His Excellency Subin Pinkhayan, and to the good health of all distinguished Thai and Lao personages here. Thank you. [applause] [end recording]

In his reply speech, Dr. Subin Pinkhayan, foreign affairs minister of the Kingdom of Thailand, expressed sincere thanks to the Lao side for the warm welcome. He highly assessed the relations between the two countries. He said:

[Begin Subin Pinkhayan recording in Thai] I am greatly honored to have the opportunity to pay an official visit to the Lao People's Democratic Republic on this occasion. On behalf of the Thai delegation, I would like to express appreciation to his excellency the vice chairman of the Council of Ministers and minister of foreign affairs as well as to all Lao officials concerned for the great and warm welcome. I also wish to offer lofty thanks to His Excellency Phoun Sipaseut for kindly organizing a banquet this evening in honor of the Thai delegation and me.

This visit to Laos by the Thai delegation led by myself can be considered a step in the process of the further strengthening of the already good Thai-Lao relations. In the past year, the Thai-Lao relations have been much improved. Cooperation efforts between the two countries have been expanded in many fields. High-level officials of the two countries have exchanged visits on many occasions. Noteworthy is that the visit to Laos by Her Royal Highness Princess Sirinthon from 15 to 22 March 1990 and the visit to Vientiane by His Excellency Prime Minister General Chatchai Chunhawan to attend the traditional That Louang pagoda festival on 2 November 1990 have proved that the Thai-Lao relations have ushered to a new era—an era in which contacts have been made to truly promote and expand the relations both at the levels of the government and the people of the two countries, both of which have maintained a resolute desire to promote and expand the neighborly relations with the Mekong River as the symbol of the time-honored affection between the people living on both sides of the river.

As I informed his excellency the minister this afternoon, the Thai-Lao cooperation in developing and prospering the Mekong River basin will help bring about the welfare to the peoples of the two countries. It will also bring about the good mutual understanding and mutual trust which will result in turning the Mekong River into a river of peace and close attachment between the peoples of the two countries.

In conslusion, I would like to invite distinguished guests to join in drinking a toast to the good health of His Excellency Phoun Sipaseut and all distinguished personages as well as to the Thai-Lao friendship and neighborly relations. [applause] [end recording]

Meets Phoumi, Departs for Home

BK1911144390 Vientiane Domestic Service in Lao 1200 GMT 19 Nov 90

[Text] At 1600 this afternoon, at the Presidential Office in Vientiane, Acting President Phoumi Vongvichit received a courtesy call from Dr. Subin Pinkhayan, foreign minister of the Kingdom of Thailand, who led the delegation of the Thai Government to pay a two-day official friendship visit to Laos.

During the call, Phoumi Vongvichit sincerely hailed the first visit to Laos by Dr. Subin Pinkhayan since he assumed his new post as foreign minister in early September. Phoumi Vongvichit also took the opportunity to convey his high respect to Their Majesties King Phumiphon Adundet and Queen Sirikit of the Kingdom of Thailand as well as to Her Royal Highness Princess Maha Chakkri Surinthon, who recently paid a royal visit to Laos, and to all members of the royal family.

The acting president also conveyed his best wishes to Thai Prime Minister General Chatchai Chunhawan and his government as well as to the entire Thai people. Phoumi Vongvichit highly assessed the visit to Laos by Dr. Subin Pinkhayan and his entourage, hoping that it would serve to further strengthen the time-honored affection and solidarity between the Lao and Thai peoples.

Phoumi Vongvichit noted: We will cooperate with His Excellency Mr. Ambassador [of Thailand] to do everything within our power to continually strengthen our solidarity.

In the meantime, Dr. Subin Pinkhayan expressed his wholehearted thanks to the Lao hosts for extending a warm welcome to him and his delegation. He also informed Phoumi Vongvichit of his activities during his stay in Laos. He said he met and held talks with Foreign Affairs Minister Phoun Sipaseut and Foreign Economic Relations Minister Phao Bounnaphon to exchange views on the relations between the two countries both in the economic domain and on mutual cooperation.

Earlier this morning, Dr. Subin Pinkhayan and his party visited the Nam Ngum Hydroelectric Dam at Than Lat in Vientiane Province.

At noon, Nikhom Tantemsap, ambassador extraordinary and plenipotentiary of the Kingdom of Thailand to Laos, hosted a luncheon in honor of the Thai delegation.

In the afternoon, the Thai foreign minister met and held talks with Foreign Econmomic Relations Minister Phao Bounnaphon.

At 1700, Thai Foreign Minister Dr. Subin Pinkhayan and his entourage departed for home. Phoun Sipaseut, vice chairman of the Council of Ministers and foreign affairs minister of the Lao People's Democratic Republic, and other high-ranking Lao authorities were on hand at the Wattai International Airport to see off the delegation.

Before ending his visit to Laos, Dr. Subin Pinkhayan held a press conference at the Lan Xang Hotel.

Deputy Foreign Minister Discusses Talk Topics

BK1911135490 Vientiane KPL in English 0905 GMT 19 Nov 90

[Text] Vientiane, Nov 19 (KPL)—A talk was held here yesterday afternoon between the Lao Foreign Ministry's delegation led by its minister, Phoun Sipaseut, and the visiting delegation of Thai Foreign Ministry led by its minister, Subin Pinkhayan.

Following the talk, Deputy Foreign Minister Souban Salitthilat, on behalf of the Lao side, told Lao media men of its outcome. He said the sides discussed the future bilateral relations with focus on what has been implemented within the frame work of the two governments' joint communique of 1988. He also said the sides were satisfied with positive developments in their cooperation, which involved the prevention from military confrontation, the regular talks between the governmental delegations, including military delegations of the two countries, the joint effort in trade, and the conclusion of agreement on investment.

Whereas the issues remaining to be jointly taken evasion and high transit goods fees and taxes. [sentence as received]

The Lao deputy foreign minister also said the Thai side showed its good-will in allowing the selling to Laos of some categories of export-prohibited goods such as, cement and chemical festilizer for which Thailand still demands. In addition, it emphasized on the Mekong development project, Thailand's demands for electric power from Laos, the cultural and educational exchange, and its attention to the Mekong bridge construction.

During the talk, the sides also discussed the Mekong bank erosion issue and agreed to deal with it through the further cooperation with the International Mekong Committee.

In addition, the sides discussed the Cambodian issue, and the regional issues on which the Lao delegation pointed out the open policy of foreign investment in Laos and Laos' policy advanced at JIM 2 [Second Jakarta Informal Meeting]. This was its intention to take part in the 1976 Bali declaration to contribute toward regional peace, stability and cooperation.

Their discussion proceeded in a frank and useful atmosphere.

Thai Minister Signs Aviation, Technology Pacts

BK2011032390 Bangkok THE NATION in English 20 Nov 90 p A2

[By Atthawibun Sisuworanan]

[Text] Vientiane—Foreign Minister Subin Pinkhayan signed two agreements with his Laotian counterpart Phoun Sipaseut which were aimed at expanding aviation, scientific and technological cooperation between the two countries.

The aviation agreement would allow Thailand and Laos to open two new air routes between Vientiane and Thailand's northern province of Chiang Mai and the Laotian capital and the northeastern province of Khon Kaen in the near future. Each route will accommodate flights for about 250 passengers a week.

The weekly capacity of 250 passengers on current Bangkok-Vientiane flight will also be increased to 500. The aviation agreement would dramatically boost Thai-Laotian air communication and promote tourism between the two countries.

Thailand also agreed to grant aid worth Bt [baht] 7.08 million to Laos in its 1990-1991 programme in order to help develop the country's scientific and technological potential. The aid granted will be in the form of scholarships and funds for training and study programmes for Lao officials and students. The programmes include assistance in the fields of agriculture and public health.

Phoun told a press conference co-chaired by him and Subin that the achievement marked a significant milestone in Thai-Laotian relationship and was a good sign toward an increase in cooperation between the two countries.

Subin added that both countries agreed to enter into a joint venture in developing Mekong River, particularly hydroelectric projects. Subin proposed to Laotian leaders during his two-day official visit here, which ended yesterday, that Thailand would purchase electricity from Laos up to 1,000 megawatts annually.

Before leaving Vientiane for Bangkok yesterday evening, Subin visited the Nam Ngum Dam, located about 80 km north of the Laotian capital, where he discussed ways to increase Laos' electricity production capacity.

Foreign Minister Greets Mongolian Counterpart

BK1711103990 Vientiane KPL in English 0858 GMT 17 Nov 90

[Text] Vientiane, Nov 17 (KPL)—Lao Foreign Minister Phoun Sipaseut has recently sent a message of congratulations to Foreign Minister of the People's Republic of Mongolia Tserenpiliyn Gombosuren, over the latter's re-appointment to the post.

Phoun Sipaseut was convinced of the Mongolian foreign minister's successful contribution to peace, security and cooperation in Asia and the world over.

He also believed that the existing Lao-Mongolian relations and many-sided cooperation will be increasingly fruitful.

Greetings Sent on Palestine State Anniversary

BK1911140790 Vientiane KPL in English 0856 GMT 19 Nov 90

[Text] Vientiane, Nov 19 (KPL)—On the occasion of the anniversary of the foundation of the State of Palestine, Acting President of the Lao People's Democratic Republic Phoumi Vongvichit, on November 15, sent a message of congratulations and best wishes to Yasir 'Arafat, president of the Palestine Liberation Organization and commander-in-chief ot the Palestinian revolutionary forces.

The Lao acting president hoped the friendly relations between the Lao PDR [People's Democratic Republic] and the State of Palestine will be increasingly developed in the interest of the people of the nations and of peace the world over.

Official Receives Chinese Group From Yunnan

BK1711113790 Vientiane KPL in English 0903 GMT 17 Nov 90

[Text] Vientiane, Nov 17 (KPL)—The head of Vientiane prefecture administration Mr. Sisavat Keobounphan, yesterday afternoon received the visiting delegation of the trade and foreign economic relations of the Chinese Yunnan Province.

The Chinese delegation made up of 21 members is here to stage an exhibition at the That Louang fair 90.

Mr. Sisavat Keobounphan on the occasion expressed his hope that through the participation of the Yunnan Province at the fair, the Lao visitors will further more appreciate the long standing relations of friendship between the two countries.

Soviet Control Commission Group Begins Visit

BK1411105490 Vientiane KPL in English 0917 GMT 14 Nov 90

[Text] Vientiane, Nov 14 (KPL) - A visiting delegation of the Control Commission of the Central Committee of the Communist Party of the Soviet Union met here today with a delegation of the Control Committee the Lao People's Revolutionary Party Central Committee [LPRP CC].

The Soviet side was headed by its first vice president [title as received] Yevgeniy Nikolayevich Makhov and the Lao side by Mr. Ounla Sai-gnasan, LPRP CC member and vice president of the LPRP CC Control Committee.

The meeting reviewed their operation during the current restructuring process in all spheres. The Lao side informed the guests of its operation and the gains aimed at consolidating ideological, and political activities.

The Soviet delegation also briefed the Lao side about its work since the 28th congress of the CPSU. The Soviet delegation arrived here yesterday on a one-week visit to Laos and will tour production bases in Vientiane Capital and some provinces.

Bridge Built With Soviet Aid Opens in Pakse

BK2011115490 Vientiane KPL in English 0851 GMT 20 Nov 90

[Text] Vientiane, Nov 20 (KPL)—The "December 2" bridge was officially opened on Nov 18 in southern Pakse, Champassak Province.

Spanning across the Sedon river, this bridge, named after the national day, is 542 meters long and 11 meters wide. It was constructed with a joint Lao-Soviet fund. The Lao side contributed to the budget 938 million kip, whereas the Soviet side put in over 4 million rubles.

The bridge, constructed by the Bridge Construction Company No. 1, is the 5th largest in the framework of aid given to Laos by the Soviet Union government in the past 15 years. Other large bridges include the Se Bang Hiang (on Road No. 9), the Nam Kading, and Nam Ngum (on Road No. 13 south) and the Nam Neun bridge (Road No. 6).

The bridge can support 80-ton load for single car and 30 tons for car convoys. The project also included the construction of over 3.5 kms (kilometers) asphalted road leading to either side of the bridge.

Present at the bridge opening ceremony were Mr. Bouathong, minister of communication, transport, post and construction; Mr. Yuriy Mikheyev, ambassador of the USSR to Laos.

Addressing the public on the occasion, both personalities praised the great achievements of the construction team, a great number of whom are Soviet experts received orders of distinction and congratulatory certificates.

Air Transport Agreement Signed With Burma

BK1711103790 Vientiane KPL in English 0859 GMT 17 Nov 90

[Text] Vientiane, Nov 17 (KPL)—Laos and Myanmar [Burma] have established a draft agreement on air transport following a signing ceremony performed by the civil aviation authority heads of both countries on Nov 9, disclosed the Lao Embassy in Rangoon.

Through this initiative, it is hoped that the friendly relations between the two countries will be further expanded.

Airfield Construction Under Way in Bolikhamsai

BK1911141190 Vientiane KPL in English 0900 GMT 19 Nov 90

[Text] Vientiane, Nov 19 (KPL)—The construction of an airfield at KM [kilometer] 20 in Kham Keut District of the central Bolikhamsai Province starting since October 20, 1989 is expected to be completed before the 15th National Day, December 2nd, 1990.

The work is undertaken by the Mountainous Area Development Company at the cost 772.5 million kip.

Philippines

Continuation of U.S. Bases Said Unconstitutional

HK2011033590 Manila THE MANILA CHRONICLE in English 20 Nov 90 p 9

[Text] Senate Minority Floor Leader Juan Ponce Enrile yesterday called unconstitutional the proposal of Foreign

Affairs Secretary Raul Manglapus allowing the continued stay of the U.S. military bases in the Philippines after the Sept. 1, 1991, expiration of the RP [Republic of the Philippines]-U.S. military bases agreement (MBA).

Speaking before the Katipunan ng mga Makabayang Mag-aaral (League of Nationalist Students) of the University of the East, Enrile likewise repeated his call for the abrogation of the RP-U.S. Mutual Defense Treaty (MDT) which, he said, is also violative of the Constitution and exposes the country to "unnecessary danger."

Enrile, secretary general of the Nationalista Party (NP), reiterated his stand that all U.S. bases must be removed from the Philippines in September next year.

After the second round of talks on the bases issue with his U.S. counterparts last week, Manglapus said the Philippine government will assume full sovereign control over U.S. military facilities in the country, including Clark Air Base and four other smaller facilities in September.

Manglapus also said that the Philippines prefers a five- to seven-year transition period for Subic Naval Base in Zambales but that the government is open to the U.S. proposal of 10 to 12 years.

As the lone opposition member in the Senate which has the power to ratify treaties, Enrile said the proposed transition period or phase-out period after the Sept. 16, 1991, is "violative of the fundamental law of the land."

"In my view, no such transition period or phaseout after Sept. 16, 1991, is contemplated by the Constitution," Enrile said. He said the only transition period is the one-year period following notice of termination by either party as provided for by the 1947 MBA as amended by the Ramos-Rusk agreement signed Sept. 16, 1966, which limited the duration of the MBA until Sept. 16, 1991.

Enrile said the Philippine government served the one-year notice during last September's round of negotiations.

"The Americans were able to pull out their troops and facilities from Vietnam in six months and have been able to deploy their troops in the Middle East in a matter weeks. I do not see any reason why they cannot pull out of the Philippines in a period of one year," Enrile said.

He explained that the only way Malacanang can use the same Constitution in extending the stay of the U.S. military bases in the Philippines is by entering into a new treaty which requires a two-thirds vote in the Senate to ratify it and is recognized as such by the American government.

Government Seeks Payment for Losses From Kuwait

HK1911054090 Manila THE MANILA CHRONICLE in English 19 Nov 90 p 1

[By staff member Marie Rose Feliciano]

[Text] The Philippine government will present a bill for 10 million dinars (P [Philippines pesos] 780 million) to a Kuwaiti government delegation- in-exile as payment for the losses suffered by Philippine contract workers and the Philippine embassy in Kuwait when Iraq annexed the Gulf country.

The delegation, headed by Housing Minister Yahya Fahd al-Sumayt, arrives in Manila on Nov. 21 for a three-day visit.

The 10 million dinars represent the cash in banks and embassy equipment expropriated by the Iraqi forces in the aftermath of its invasion. The Kuwaiti government announced last September that foreign contract workers could claim back payments or salaries and air fares provided they showed travel documents and work contracts.

With more than 685 billion dinars stashed in banks all over the world, the Kuwaiti government is stil considered very wealthy. With this in mind according to a source, President Aquino might encourage the Kuwaitis to invest in the Philippines.

Meanwhile, a foreign office informant said the Gulf conflict was actually a blessing in disguise for the more than 15,000 domestic helpers in Kuwait. More so for the 12 Filipinos who were imprisoned in the Sulaiviya Central Prison [SCP] located 30 km from Kuwait City. When Iraq invaded Kuwait on Aug. 2, Iraqi soldiers reportedly freed the prisoners inside SCP, including the Filipinos.

Seven had been charged with drug offenses, while five, all domestic helpers, had been accused of killing their employers. The invasion thus saved the 12 Filipinos who were awaiting execution of the death penalty and the 15,000 domestic helpers who were practically working as slaves, the source said.

Of the 15,000 domestic helpers, half had no working papers, according to the source. A number of them had alleegedly been molested or raped by their employers, who kept their passports to prevent them from leaving.

Aquino To Study Chile's Debt Repayment Scheme

HK1711053390 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 17 Nov 90

[Text] President Corazon Aquino stated the Philippine Government will thoroughly study the measures adopted by the Chilean Government in repaying its foreign debts. The president issued the statement after her meeting with Chilean Ambassador (Enrico Selbatima).

In this connection, Foreign Affairs Secretary Raul Manglapus announced that Finance Secretary Jesus Estanislao and the Chilean ambassador to the Philippines are scheduled to meet to discuss the Chilean Government's foreign debt repayment measures. Secretary Manglapus also said the Philippines will strengthen trade relations with Chile in the future.

Debt Interest Not To 'Affect' Credit Standing

HK1911051990 Manila THE MANILA CHRONICLE in English 15 Nov 90 p 14

[By A. Chipongian, staff member]

[Text] The Credit Lyonnais-National Power Corp. [NPC] controversy over debt interest payments of $7.7 million is not expected to trigger a cross-default by the Philippine government with its foreign commercial creditors and will not adversely affect the country's credit standing with the international financial community, according to Central Bank [CB] Governor Jose L. Cuisia Jr.

At the same time, the CB proposal for the $7.7 million to be held in escrow until the matter is resolved was turned down by both Credit Lyonnais and NPC.

Cuisia said that while he has discussed the issue with NPC officials, "it is not within my jurisdiction. We cannot tell NPC what to do. It has to make its own decision."

The CB chief, however, indicated confidence that the problem will not trigger a cross-default, wherein non-payment by the government to one foreign creditor is treated as non-payment to all other foreign creditors.

Cuisia said that legal counsel for the Philippine government has earlier studied the issue and noted that this incident will not lead to a cross-default that may jeopardize relationships with foreign banks.

Last July, Credit Lyonnais charged that NPC failed to meet its commitment by paying the French bank the $7.4 million the latter advanced in behalf of NPC for payment of its loans to the Bank of Japan.

As the matter is stil being investigated by the National Bureau of Investigation, the original $7.4 million in foreign exchange advances made by NPC has increased to $7.7 million to date inclusive of interests.

Australian Firm Offers To Build Six Gunboats

HK1911053090 Manila THE MANILA CHRONICLE in English 19 Nov 90 p 9

[By staff member Manny Mogato]

[Text] An Australian shipbuilding company has offered to help build six mondern naval gunboats and several medium-sized logistics support vessels (LSVs) for the Philippine navy under a countertrade and transfer of technology package, a senior naval official said.

He said the navy and Victoria, the Australian shipbuilder, would finalize the contract this week, paving the way for the construction of the first prototype of the 57-meter long naval gunboat next year.

The $40-million gunboat was specially designed to operate in the choppy and debris-littered waters of the South China Sea and the Pacific Ocean. The gunboat will have a 76mm gun as its main armament to be complemented by two 40mm anti-aircraft guns. The weapons' control system consists of radar and infra-red scopes for night firing.

The ship could also be fitted with missiles for stronger firepower. Machinequns could also be mounted if needed.

The Australian model won over five other models presented to the Philippine Navy last year. Construction and delivery of the six fast patrol boats will start next year as soon as Congress approves the navy's ambitious modernization program.

The government plans to acquire 35 fast attack boats and at least three missile gunboats for its navy to match the buildup of the naval forces of countries from the Association of Southeast Asian Nations, especially Indonesia and Malaysia.

Australia was also offering to build an 80-meter LSV to replace the Philippine Navy's old landing ship tanks (LSTs) which were given by the United States at the end of the Vietnam War in 1975.

The navy is getting three second-hand LSVs from the U.S. next year. The ships, part of the Foreign Military Sales credit program, were to have been delivered in June this year but were delayed because of the Gulf crisis.

Australia is offering to sell its own models of LSVs at $16 million each. This model can carry 150 men or about eight M35 trucks and 12 military jeeps.

Four Contingency Energy Measures Drawn Up

HK2011033190 Manila BUSINESS WORLD in English 20 Nov 90 pp 1, 6

[By reporter Alice F. Cabotaje]

[Text] Four contingency scenarios with corresponding energy conservation [enercon] measures are being drawn up by seven government agencies and members of the private sector. Contained in a document furnished BUSINESS WORLD yesterday, the conservation measures will be based on inventory levels, world fuel prices and cuts in crude supply.

Polling together to firm up these measures are the Metro Manila Authority (MMA); Office of Energy Affairs (OEA); Departments of Trade and Industry, Agriculture, Local Government, Transportation and Communications, National Defense; the Philippine Chamber of Commerce and Industry; consumer and retailer organizations.

Under scenario A where inventory level is at 90 days, world fuel price at $25/bbl and a 5% supply cut, the enercon measures suggested to be implemented are:

—limit operation of movie houses (12 noon-11 pm);

—limit operation of department stores and supermarkets (10 am-8 pm);
—prohibit use of outdoor lights;
—close petroleum retail outlets on Sundays and holidays;
—regulate use of airconditioning units; and
—encourage car pooling.

Under scenario B where inventory level is at 80 days, world fuel price at $30-$35/bbl and a 20% supply cut, the enercon measures suggested are:

—all measures drawn for scenario A plus;
—activate ASEAN Petroleum Security Agreement;
—cease exportation of petroleum products and derivatives;
—enforce "careless" Sundays and holidays;
—implement four-day work and school week;
—limit operation of moviehouses (12 noon-9 pm);
—limit operation of department stores (12 noon-8 pm); and
—limit use of neon and advertising lights (6 pm-9 pm).

Under scenario C where inventory level is at 70 days, world fuel price at $36-$40/bbl and a 35% supply cut, the measures suggested are:

—all measures drawn for scenario B plus;
—further percentage cut in fuel allocation and rationing;
—limit radio programs except news and public service programs;
—limit television programming;
—restrict use of airconditioners; and
—impose a 12 midnight to 5 am curfew.

And under scenario D where inventory level is at 60 days, world fuel price is at $40/bbl and a 50% supply cut, the suggested enercon measures are:

—All measures drawn for scenario C plus;
—maximum percentage cut in fuel allocation and rationing;
—prohibit operation of moviehouses and other entertainment places;
—limit use of government vehicles;
—limit radio and television programs to news and public service; and
—adopt a three-day work week for all offices.

Observers note that the assumptions made for each scenario do not seem to jibe with the current situation. For instance, while the current world fuel price ranges between $29-$32/bbl, the country's present inventory level is already at 60 days. And with this inventory level, only a 10% cut has been made by Government on the country's crude supply. Furthermore, stricter conservation measures have yet to be imposed by Government.

Moreover, causing delay in implementation is the absence of guidelines for Executive Order [EO] 433 directing the immediate implementation of additional energy conservation measures. For one, the date of effectivity of EO 433 has yet to be decided on. A BUSINESS WORLD source said these guidelines will come from the local governments.

More on Coup Plot Said Uncovered by Military

HK2011033090 Manila THE MANILA CHRONICLE in English 20 Nov 90 pp 1, 8

[By staff member Manny Mogato]

[Text] Military rebels who have plotted another coup had drawn up a four-stage destabilization blueprint between Nov. 30 and Dec. 10, a senior Camp Aguinaldo intelligence officer said yesterday.

The sabotage of aircraft, helicopters and other air force assets was an important part of their design, he said. The other phases are rescue operations to free detained military rebels, bombings and propaganda campaigns exploiting the current crisis.

The CHRONICLE obtained a copy of the intelligence report that was submitted to armed forces chief of staff Gen. Renato de Villa two weeks ago. The report was presented during the quarterly AFP [Armed Forces of the Philippines] high-level command conference at Camp Aguinaldo.

"There are fairly reliable reports that a major destabilization move is being planned before the year ends," the report said.

Camp Aguinaldo officials said the rebel plan to destroy air assets was understandable because the superior air capability of government forces was a major factor in suppressing the Mindanao rebellion led by former Col. Alexander Noble last month.

The superior F-5 jets also decisively changed the tide of the battle during the December 1989 coup, especially in neutralizing the rebels' T-28 Tora-tora planes in Sangley Air Base in Cavite.

Military officials also said the rebels remained active, despite the failure of the Mindanao uprising because of their belief "that their overall strength remains undiminished and their plans and strategies (are) workable."

De Villa reacted cautiously to the reports of a new coup. "It is very speculative on the part of the guys who reported it," De Villa told Malacanang reporters. He added, however, that the defense estalishment "can never be sure" about moves to destabilize the government.

De Villa said the alleged intelligence is "speculative," hinting that the supposed masterminds could easily be situated in Bicol and in the north because of their roots or military record.

Marines Involved in 1989 Coup Attempt Acquitted

HK2011022790 Manila Far East Broadcasting Company in Tagalog 0100 GMT 20 Nov 90

[Text] Twenty-nine Philippine Marines, who were involved in the failed coup last December, were acquitted yesterday after 11 months of detention at

Sangley Point, Cavite. Six had been dismissed from service while 23 were demoted to the lowest rank. They were released after investigations showed that they only followed orders from higher officers. Some of them belong to the 4th Marine Landing Battalion that attacked Villamor Air Base and Camp Aguinaldo in the December coup attempt.

'Over 100 Explosives' Found at Shell Oil Depot

HK2011065390 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 20 Nov 90

[Italicized portions in English]

[Text] Dynamite was found in Pandacan, Metro Manila. Sonny Casulla of Patrol 1 reports:

[Begin recording] [Casulla] We are by the Shell Philippines gate, where we see the frogmen, the Philippine Marines and Navy operatives who were called to search for the explosives. If the bombs were spotted later, there could have been a big explosion. Beside me is Mr Ding Roco who will give us the details. Reports say over 100 explosives were found around the area of Shell Philippines. We would like to give an update.
[Roco] The Capital Regional Command and Western Police District K-9 bomb sniffers continue to investigate the nearby installations. The Coast Guard operatives are investigating the shorelines in case there are bombs left behind.

[Casulla] I understand that they retrieved some explosives earlier?
[Roco] At around 0845 this morning our painter and security guard saw two packages full of dynamite, around 88 sticks. They also saw a rifle grenade in a booby trap. After more searching, they discovered 40 sticks of dynamite and C-4 plastique bombs. There were also some Molotov cocktails. *So all in all, more than 120 bombs.*

[Casulla] What type of bombs are these?
[Roco] TNT and C-4.

[Casulla] TNT is the one that explodes immediately after it is ignited.
[Roco] It is not a time bomb. *It was supposed to have been triggered by somebody pulling an igniter.* Obviously this is not an ordinary bomb that is left to explode by itself. Whoever put it here obviously wanted to ignite it at a certain time.

[Casulla] Did you detect if the explosives were transported by way of the road or the Pasig River?
[Roco] They came across the Pasig River. In fact, they were under the pier. The painter spotted them as he was painting.

[Casulla] If nobody saw them and the explosion took place, would your other gasoline installations have been affected?
[Roco] No, only our pier.

[Casulla] These gasoline containers are big. Would they have been affected?
[Roco] I do not think so because our installation is big. During the Iran-Iraq war, even if the installations were bombed they did not explode. But our pier is cemented and it would have surely been destroyed.

[Casulla] The explosives were found right under the pier.
[Roco] The people who placed them obviously swam.

[Casulla] Would not this incident affect your operations?
[Roco] Only this morning, since they are still searching for the bombs. *But after that we will continue operations.*

[Casulla] Do you have more details? There were some frogmen in the water. How many are there?
[Roco] There are two patrol boats all the way to Petron.

[Casulla] So that is around the Pasig River. How far is this from Malacanang?
[Roco] Around one kilometer.

[Casulla] Our friend, Mr Ron Macatangay, would like to ask some questions.

[Macatangay] I would like to know if over the past days there was any intelligence information or letter from any group received by your company regarding this incident?
[Roco] As far as I know, we have not received threatening letters. *So this is a suprise also.*

[Macatangay] People say that if the explosion took place the gasoline tanks would have exploded as well. Based on your experience and knowledge, is this possible?
[Roco] The older ones here say that during the Japanese time, in World War II, Pandacan was bombed, and that not all were destroyed even when dynamite was placed in the tanks. *I suppose, based on this, only the pier would be damaged.* [end recording]

Attempt Said Not Prelude to Coup

HK2011101790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 20 Nov 90

[Italicized portions in English]

[Text] National Security Adviser Rafael Ileto shrugged off the attempt to bomb one of the country's biggest oil companies, located a few hundred meters away from Malacanang. Ileto dismissed the bombing attempt on the Shell Depot in Pandacan as a prelude to another coup. As he belittles the rebels capability, Ileto stated the government will intensify its intelligence gathering and will tighten security. According to Ileto, anybody could have been responsible for the planting of the bombs at the Shell refinery. Even common criminals, he added. In an interview with Malacanang reporters, Ileto said:

[Begin recording] *There is a need to intensify our protective measures against this because they are capable of doing this even before.* The transmission towers, they even blow them down, *which means it's within their* *capability to blow down* structures like that. *Well, that's enough for us to really take all necessary measures to protect us.* [end recording]

Bomb Destroys Two Apartments in Sta. Mesa

HK2011101990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 20 Nov 90

[Text] A bomb exploded in Sta. Mesa, Manila at about 0130 at dawn this morning. It destroyed the apartments owned by a former judge and a retired school teacher. The bombing was said to have been perpetrated by unidentified men riding a car. The bombing destroyed apartments owned by former Northern Samar regional trial court Judge Sixto Balingkit and retired teacher Marina Duval. A car parked in front of the apartments was also ruined.

Military Officer Vows To Expel Remaining Huks

HK2011033790 Manila MANILA BULLETIN in English 20 Nov 90 p 12

[Text] San Fernando, Pampanga—A top Constabulary officer in Pampanga promised yesterday to end in due time the existence of the Hukbong Magpapalaya sa Bayan (HMB) [People's Liberation Army—Huks], erstwhile military arm of the old pro-Soviet but now legalized Partido Komunista ng Pilipinas (PKP [Communist Party of the Philippines].

Col. Ramsey L. Ocampo, Pampanga PC-INP [Philippine Constabulary-Integrated National Police] commander, said he was optimistic the operations will bag the remaining HMB members before the year ends.

Targets of the operations are 24 Huks rebels led by Emmanuel Alejandrino, alias "Bon Maglaya," the alleged Huk supremo, Ocampo said. But he said the area of operations of Alejandrino and his men is "so limited that we can easily detect them."

19 Said Killed in Surigao del Sur Encounter

HK1911093590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 19 Nov 90

[Text] Fifteen New People's Army rebels were killed in an encounter with Philippine Army soldiers in Surigao del Sur recently. In a delayed report received by Army Commanding General Guillermo Flores, the slain rebels were killed in an encounter with the Army's Bravo-Charlie operatives. Also killed in the 30-minute firefight were four government soldiers, while 18 others were wounded. A V-150 tank was totally destroyed when it hit a landmine planted by the rebels.

Four Reportedly Killed in Cabanatuan Ambush

HK1911093390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 19 Nov 90

[Text] Four people were killed, including the secretary of Cabanatuan City Mayor Honorato Perez when his group were ambushed on their way to the city hall this morning. Killed at 0800 this morning were Attorney Kibuyan, Mayor Perez' secretary; and his bodyguards Rolando de la Cruz, Eufrocinio Esler and Paulino Carlos. Seriously wounded was Aguilar Doquinto, who was also with the ambushed group. Kibuyan's group was in a red Toyota car, while the ambushers were in a blue car with plate number CAW 453 and an owner-type jeep [as heard] which served as a backup vehicle for the ambushers. Up to broadcast time, the identities of the assailants have not yet been determined.

Military Begins Post-Typhoon Rehabilitation

HK1911054990 Manila BUSINESS WORLD in English 19 Nov 90 p 10

[By Allan M. Refuerzo]

[Text] The Armed Forces of the Philippines (AFP) yesterday stepped up its relief and rehabilitation operations in the Visayas as AFP chief Gen. Renato de Villa ordered the activation of "Task Force Kandili" [care] throughout the regions severely affected by Typhoon Ruping last week.

The task force, which calls for the participation of the various AFP service commands, included the fielding of medical and dental personnel to the calamity areas in Regions 6, 7 and 8. This task force has for its members the same unit of doctors, dentists and nurses which had undergone similar medical missions in the province of Negros Occidental a few years ago.

Maj. Gen. Guillermo Flores, Philippines Army [PA] chief, for his part directed all units in the provinces of Cebu, Iloilo and Leyte, particularly the Army Engineering Brigades stationed there, to aid in the repair of damaged roads, bridges, electric lines and water mains in order to restore normal public services.

Gen. Flores temporarily assigned one company from the PA 51st Engineering Brigade to aid the members of the 53rd Engineering Brigade in their ongoing civil works repair in the province of Cebu. Eight water trucks have likewise been sent from Regional Command 7 to distribute safe drinking water in and around Cebu City.

Under "Task Force Kandili," the Philippine Air Force [PAF] was also set to dispatch eight additional helicopter units to help in the distribution of relief goods to the calamity areas.

Gen. de Villa ordered the PAF to airlift 150 huge tents from the AFP Logistics Command to provide adequate shelter for the displaced residents in the said regions. Brig. Gen. Leopoldo Acot, 2nd Air Division commander, was directed to take charge of the task force's air operations from the Mactan Air Base in Cebu.

Due to the inaccessibility of the Mactan bridge, the Philippine Navy wil be operating two utility landing boats within the next two days to ferry cars and other vehicles between Mactan island and Cebu and in order to help ease the shortage of basic commodities in the major centers of the province.

Thailand

Talks With U.S. on Cigarette Issue Reviewed

BK1211025590 Bangkok BANGKOK POST in English 12 Nov 90 p 7

[By Suphaphon Kanwirayothin and Ratchphon Laowanit]

[Text] Geneva—Thailand wants an end to bilateral negotiations—and wrangling—over the cigarette issue with the United States now that the matter has been resolved by the General Agreement on Tariffs and Trade.

Thai and American officials held talks here November 8-9 and Permanent Secretary for Commerce Phatchara Itsarasena announced they would be the last.

As a gesture of goodwill, he said the Thai delegation has offered flexibility for its Washington counterpart to facilitate imports. This goes beyond Thailand's obligation to GATT. What is offered here is the best Thailand can do within its public health policy objectives.

The permanent secretary said Thailand's offer to help the US reduce some obstacles for imports reflected Thailand's interest in maintaining good trade relations between the two countries.

And hopefully as a result of this show of goodwill, Washington should drop Thailand from the retaliatory consideration under Section 301 of the Trade Act on November 25, the deadline for the US Trade Representative to respond to the cigarette industry's call for actions against Thailand.

Mr Phatchara, who led the Thai delegation, stressed that GATT allowed Thailand to take various GATT-consistent measures to control the quality and quantity of cigarettes to achieve health policy goals, although Thailand was deemed wrong in probibiting cigarette imports.

During the talks, the US had requested certain conditions that the Thai team could not concede, but those issues should be left for the US private sector to resolve with various Thai government agencies concerned.

Deputy Director-General Karun Kittisathaphon of the Business Economics Department supported Mr Phatchara's view, referring to the part of the GATT dispute settlement panel's ruling that Thailand may use government monopolies—such as the Thai Tobacco Monopoly—to regulate the overall supply of cigarettes.

The Thai Government has not yet considered using the measures permitted by GATT because it is still not necessary to do so. However, the government has to control the initial demand among the young by banning advertisements of cigarettes of both domestic and foreign origin.

Thailand would strictly implement this measure since any additional advertising rights would risk stimulating demand for cigarettes.

Mr Phatchara said during the two days talks Thailand made sure that it was not being forced to accept conditions beyond GATT obligations.

Two remaining problems that have to be settled by other government agencies concerned—because the Thai delegation could not offer any commitments on their behalf—are the provision of bonded warehouses and how to put the excise tax stamps on each package.

However, Thailand is likely to concede on these two issues, realising that these requirements are not practical and that they pose obstacles for imports.

In the case of bonded warehouses, although US cigarette firms are not likely to get permission to set up their own facilities, they are offered the possibility of using the Port Authority of Thailand [PAT]. This is provided concessions are granted by PAT and the Customs Department. [sentence as published]

Meanwhile, on the matter of excise tax stamps, Thailand would let the US put on the identification for imported cigarettes at the production base. But it must ensure this process will prevent smuggling.

Thailand will also allow the nine-month period for the process of labelling a health warning in Thai on packers instead of three months.

GATT Agrees With Controls

BK1111090090 Bangkok Domestic Service in English 0000 GMT 11 Nov 90

[Text] The Council of the General Agreement on Tariffs and Trade [GATT] supports Thailand's resistance to U.S. attempts to retaliate against Thailand under Section 301 of its Trade Act. Commerce Minister Amaret Sila-on said the GATT Council comprising 98 member countries raised the Thai-U.S. cigarette dispute issue at its recent meeting in Geneva. He said Thailand told the meeting that it is abiding by GATT obligations on cigarette imports. The GATT dispute settlement panel earlier ruled that Thailand's ban on foreign cigarettes violated GATT's free trade principles. However, Thailand was told that it could adopt other measures on the cigarette issue, such as banning its advertisement and introducing health warnings on cigarette packs.

The GATT Council meeting also agreed to Thailand's adjustments of the cigarette tax. The U.S. trade representative has set 25 November to announce whether it will use Section 301 Trade Act to retaliate against Thailand as requested by American cigarette manufacturers.

U.S. Groups Show Support

BK1911014390 Bangkok BANGKOK POST in English 19 Nov 90 p 7

[By Phonpimon Kanchanalak in Washington]

[Text] American anti-smoking groups are throwing their support behind Thailand as an investigation by the United States Trade Representative (USTR) over Thai trade policy and practices involving cigarette imports nears its end.

The National Council for International Health (NCIH) sent a letter to the acting chairman of the Section 301 Committee urging USTR Carla Hills to drop all further action against Thailand regarding the issue. In the letter dated November 14, the NCIH said the Thai government had acted in good faith by announcing a Cabinet decision immediately lifting its import ban in full compliance with the GATT. The USTR, asserted the NCIH, should reciprocate in good faith by ceasing any further trade action against Thailand.

The NCIH urged the USTR to recognise the decision made by the GATT that no further concessions are necessary from Thailand, beyond the ruling that imported and domestic cigarettes be treated in a consistent manner.

The council also reminded the USTR that GATT had upheld Thailand's health regulations, including its tobacco advertising ban, 55 percent tax and requirement that cigarette ingredients and additives be disclosed to consumers.

Dr Russel E. Morgan, president of the NCIH, which represents 160 organisations and 2,000 professionals involved in international health, said the anti-smoking coalition would remain vigilant concerning Thailand's case as the USTR is approaching its final decision deadline of November 25 on the 301 case against Thailand.

The NCIH is part of a group called the Coalition on Smoking or Health. It sent a representative to Geneva earlier this year to talk to GATT officials on the health aspect of the cigarette issue when the GATT panel was set up to investigate the US complaint. The coalition, which collected support from 56 other national organisations in the US opposing the USTR's action against Thailand, had also written to the GATT panel during its deliberation to highlight the health problems of cigarette consumption.

The GATT panel, in its report on the case, went to great lengths addressing the health aspect of the cigarette issue. The panel's action was regarded by many as the success of the anti-smoking campaign on this issue.

Earlier this year, the anti-smoking groups found themselves in an awkward situation when reports appeared in the US that Thailand was prepared to capitalise the upgrading and expansion of its cigarette production facilities.

Underestimated by officials, both American and Thai, and anti-smoking groups in the US have done their share of "spreading the word" about the health questions associated with cigarettes and what they characterised as the US's double standard in trying to export cigarettes to Thailand while discouraging tobacco use in the US. The groups got on all American major networks and print media to talk about Thailand's case.

Observers believe the well-organised and effective anti-smoking campaign in support of Thailand was one of the reasons the USTR took the case to GATT so as to deflect the public criticism.

'Equal' Aviation Rights With U.S. Discussed

BK1711052590 Bangkok THE NATION in English 17 Nov 90 p A8

[Article by Sophon Onkgara under the rubrique "Sideline" and headlined "Why Not Equal Aviation Rights?"]

[Text] American airlines are feeling the heat. The breakdown of negotiations between Thai and US representatives on aviation rights gives rise to the possibility that the American carriers will lose all their rights to fly into Bangkok after the end of next March. It would mean a sizeable loss of business to firms that have worked hard to establish themselves in the fast-growing Asia-Pacific aviation market.

According to sources at the Transport and Communications Ministry, the US airlines' concern became obvious when American negotiators unofficially contacted the Thai Embassy in Washington DC in the hopes of reopening the bilateral talks.

The semi-secret move was hardly a surprise, as the breakdown of the negotiations three weeks ago in Washington spelled the end of a 44-year old contract that could only be described as a cozy deal for US carriers. Thailand has been arguing for scrapping the contract, which allows US carriers essentially unlimited access to Bangkok but forces Thailand to negotiate each new flight one by one, with a line that should be familiar to US trade negotiators—equal treatment.

The difference in this case is that Thai Airways International (THAI) has nothing much to lose. The seven flights a week that it currently makes to the mainland United States have not proved all that profitable. For the four US carriers—United, Northwest, Delta and Federal Express—which now operate 37 passenger and cargo flights weekly to Bangkok, the stakes are much higher.

Their anxieties were evident in commentaries from some of the daily newspapers in Bangkok earlier this week. Some American airline executives have apparently been successful in lobbying a few columnists to raise the spectre of what they claim would be the damaging impact to Thailand of an end to flights by US airlines into Bangkok.

Among the various impacts mentioned by the columnists, quoting unidentified sources of course, were losses to the country's tourism industry and the difficulties travellers and others from North America would supposedly have in visiting Thailand. They go on to lament that this country would never achieve the status of the region's aviation hub if the US carriers were restricted.

No matter how much is written forwarding these sorts of arguments the beauty of the situation is that Thailand is clearly in the better bargaining position. The Thai aviation negotiators have convinced their American counterparts that there is a limit to the tolerance of small countries, and that Big Brother cannot always get what it wants by using bullying tactics.

Thailand's tough stance is admirable, and the arguments levied against it remain flimsy. Opponents have said that we should have not maintained a rigid demand for equal aviation rights since our national flag carrier would not be able to fly as many flights to the United States as US carriers do to Bangkok anyway.

Well, if that is true, what do US negotiators have to fear by acceding to the principle of equal aviation rights? If THAI cannot fly the 37 flights a week to the United States, and thus equal the American airlines in Thailand, why should the American negotiators and airlines be too worried? Why couldn't they simply [illegible] OK, THAI can have the same number of flights and it's the carrier's concern whether it can do it?

The opponents have also argued that US airlines would be able to divert their flights to Singapore, thus boosting Changi International Airport as the leading regional aviation centre. We should not kid ourselves. If they had felt that Changi had that sort of potential, they would have boosted their flights there a long time ago, no matter what Thailand would have said.

As we know, THAI is having enough trouble making ends meet in its seven weekly flights to Seattle—three via Taipei and four via Tokyo. Even less profitable was the extension from Seattle to Dallas/Fort Worth, which was carrying an average of only 50 passengers on its Boeing 747 on each fight before this service was discontinued due to financial losses.

The US airlines, on the other hand, are reaping huge profits from the traffic between the Far East and Bangkok and gradually biting into the market share of THAI and other Asian carriers in regional competition. If they are out of this sector, THAI can at least regain its share with the rest to be split among other Asian airlines.

Equal aviation rights is a matter of principle which Thailand and its negotiators have to uphold. The present contract has been in force for over four decades and there is no reason to allow it to remain unchanged. One patently unfair clause in the accord allows US airlines to simply "inform" Thai authorities before they start to fly to Bangkok, and does not limit the number of flights. On the other hand, THAI has to obtain "permission" from US aviation authorities if it wants to do the same thing. It is clear that if we want to end these sorts of unequal agreements, beseeching should no longer be our style of negotiation.

If the bilateral talks are reopened, the Thai side should maintain the same insistence for equal rights. Our negotiators have established a precedent for toughness in trade bargaining with our mighty American friend. They should not forget that Thailand has been a victim of US bullying in regards to trade issues such as the Farm Act, countervailing duties, the anti-dumping act, and of course, cigarette imports, a debate,that was backed up with the "Super 301" clause of the US Trade Act, which allows for unilateral retaliatory trade measures.

We have had too many painful experiences. Let's make sure that the aviation talks are not another. Any deviation from the present course of negotiations would only mean a betrayal of our national interests.

THAI Air 'Likely To Cease' Flights to U.S.

BK2011072790 Bangkok BANGKOK POST in English 20 Nov 90 p 17

[Text] THAI International is likely to cease flights beyond Tokyo to the U.S. west coast even if a new air services agreement between Thailand and the U.S. can be worked out next year. THAI then would not operate on the Tokyo-Seattle sector, an airline official said yesterday.

The airline, which is expected to suffer a loss of about 700 million baht on the route during its 1990-91 fiscal year, would also stop its four flights a week on the Taipei-Seattle run.

"If THAI stops its operations to the U.S. early next year as planned, it will take the airline no less than two years to restart flights to the U.S.," he said. The only chance for THAI to resume its U.S. operation would be when it is confident of profits from passenger and cargo traffic.

THAI is already working out how to use its DC-10s, which serve the U.S., on its world net routes, particularly the Tokyo-Bangkok sector. THAI is using its DC-10s, which service the U.S. on its world net routes, particularly the Tokyo-Bangkok sector. THAI is using its DC-10s exclusively on the Bangkok-U.S. route to minimise delays between connections on its European and Pacific operations.

If THAI stops serving the U.S. inconvenience to travellers will be minimal, the official said. "All airlines operating between Thailand and the U.S. have to make a stop either in Tokyo, Seoul or Taipei to change aircraft or to refuel, so it will not make that much difference in travelling time."

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There are shortages of seats on the Bangkok-Tokyo sector but an oversupply on the Tokyo-U.S. sectors. "As THAI leaves the U.S. we could improve our frequencies and seat capacity on the Bangkok-Tokyo sector thus providing better services."

However, he declined to comment on the result of the Thai-U.S. air talks. "It would not hurt THAI as we were not making any profit on the route and had planned to stop the operation sooner or later. But even if the Thai aviation authority convinced the U.S. to lift its limitation on THAI it would not mean that THAI could operate beyond Tokyo as freely as some had understood."

While THAI had to obtain traffic rights to operate in the U.S. from the U.S. aviation authority, it must also seek more traffic rights to operate beyond Tokyo from Japanese aviation authorities. The Japanese have granted THAI only four flights a week beyond Tokyo to Seattle and chances look dim for Japan allowing THAI to operate freely beyond Tokyo.

"But with no air services agreement with the U.S. Thailand has to seek more traffic rights between Thailand and Japan as the right to operate through Japan cannot be exercised."

It is important that THAI operates more flights to and from Japan with a higher passenger load, greater frequency and to more destinations. Apart from Tokyo, Osaka and Nagoya, THAI wants to operate to Fukuoka. If things go [according] to plan, this link should start next year.

Ban on Aid Groups Planned; 14 Burmese Released

BK2011030590 Bangkok BANGKOK POST in English 20 Nov 90 p 1

[Text] International aid organisations are to be banned from giving any form of assistance to dissident Burmese students as the Government continues its tough stand against the exiles. The official Government ban will extend to the United Nations High Commissioner for Refugees [UNHCR] which was reported to have had financial links with one of two Burmese students who hijacked a Thai International Airways [THAI] jet recently.

Anyone violating the order risks a fine of 50,000 baht and five years jail, says a Ministry of Interior source.

A draft of the ministerial regulation has already been forwarded to Interior Minister Banhan Sinlapa-acha and is likely to be enforced as soon as the minister officially approves it.

Thailand has given sanctuary to an estimated 2,000 Burmese dissidents, including minority groups. Thai officials believed that some Burmese students and monks who sought refuge have been engaged in rallies against the Saw Muang Government at the Burmese Embassy in Bangkok. Some were also believed involved in the two incidents in which hand grenades were lobbed into the embassy compound.

Controversy concerning the Burmese students came to a head over the hijacking of a THAI jet airliner to Calcutta earlier this month, a move intended to draw world attention on the well-documented oppressive political situation in Burma.

Border officials will be told to prevent suspected Burmese dissidents from entering Thailand, the source said. Other Burmese dissident students and monks who have already been allowed to stay in Bangkok, must stop engaging in political activities. If they resist they are likely to be arrested.

Government agencies should inform international aid organisations which help the students with accommodation and cash that they are breaking the law. The proposed regulation will demand international agencies stop giving assistance to Burmese students and also that they inform the Interior Ministry of what help they have given in the past. Thai police once requested the UNHCR supply a list of Burmese students to them but the UNHCR did not hand it over.

Meanwhile, Deputy Permanent Secretary for Interior Chamnan Photchana, said it was necessary for the Thai Government to put the Burmese students in a special camp. This way they could be controlled and would not become involved in political activity, he said. If Burmese students want to go outside the camp they would have to seek the approval of Thai officials, Mr Chamnan said.

Director of the UNHCR Pierre Jambor will call on Mr Chamnan today to discuss the storm which threatens the autonomy of the respected organisation.

Meanwhile, 14 Burmese students arrested on Sunday were released by Min Buri police yesterday. The students were arrested at a rented house in the Tharakon Housing Estate in Min Buri District at about 2 a.m. on suspicion of being illegal immigrants. Police did not file any charges against them as the 14 students produced documents showing they had been granted refugee status by the UNHCR.

Deputy Commander on Burmese Border Meeting

BK2011034790 Bangkok BANGKOK POST in English 20 Nov 90 p 7

[Text] Mae Sot, Tak—Burmese authorities in Myawaddy opposite here have accused Thailand of allowing passage for Karen rebels to conduct subversive activities inside Burma.

Task Force 34 Deputy Commander Col Bunluesrimek said Thai authorities will clarify this matter in today's meeting of the local Thai-Burmese Border Joint Coordination Committee to take place at the task force's headquarters. He said the Myawaddy authorities recently sent a letter accusing Thailand of allowing

Karen National Union [KNU] guerrillas to cross into Burma from the Thai territory north of Mae Sot District on November 5. The KNU guerrillas then used 60 mm mortars to shell a school in Myawaddy from an area north of the town, the letter said.

The letter also alleged that early this month a number of KNU guerrillas crossed into Thailand after planting mines at Mawpokey camp opposite Tha Song Yang District. The guerrllas waited on the Thai side of the border and detonated the mines with a remote control when Burmese soldiers arrived at the mined area, killing three of them, the letter said. Col Bunlu said Thai authorities were unaware of both incidents.

A meeting of civilian, police and military authorities from five border districts was held yesterday at the task force's headquarters to mete out measures to prevent adverse effects from a Burmese Government forces' dry-season offensive against minority rebels expected to begin soon. The authorities from Mae Sot, Mae Ramat, Tha Song Yang, Umphang and Phop Phra districts agreed to set up defensive positions at 14 border spots where barbed-wire barriers will be set up to prevent intrusions.

Subin 'Satisfied' With Phoun Sipaseut Meeting

BK1911043390 Bangkok BANGKOK POST in English 19 Nov 90 p 3

[By Natthaya Chetchotirot in Vientiane]

[Text] Thailand yesterday agreed to buy more electricity from Laos in a bid to boost the economy of its neighbour. The decision followed a meeting here between Foreign Minister Subin Pinkhayan and Laotian Foreign Minister Phoun Sipaseut.

Speaking after the meeting, Minister Subin said both coufntries agreed to cooperate in developing the Mekong River and its tributaries. One of these measures was the decision to buy more electricity from Vientiane, he said. He said Thailand used to buy about 150 megawatts of power, costing about 800 million baht, from the Nam Ngum Dam, north of Vientiane. Minister Subin said Thailand will buy 1,200 megawatts of power, totalling 6,200 million baht a year.

Mr Subin said both governments would cooperate in building Nam Theun Dam in Champassak Province in southern Laos.

The minister said he also discussed the building the Thai-Laotian bridge, a project the Australian Government will help finance. Thailand will contribute about 370 million baht to the bridge's construction which is expected to be completed in 1994.

Mr Subin said Thailand was satisfied with the results of the meeting. He said its success was prompted by the joint communique signed between Prime Minister Chatchai Chunhawan and Laotian leader Kaysone Phomvihan two years ago.

Minister Subin said Vientiane had been experiencing problems acquiring hard foreign currency to boost its economy. For this reason Thailand decided to buy more electricity from Laos, he said.

The Thai and Laotian delegation will today exchange notes to increase the number of plane routes between the two countries. At present flights are available between Bangkok and Vientiane. Two more routes will be added today: Vientiane-Chiang Mai and Vientiane-Khon Kaen. These routes will be operational once planes are available to fly them.

Although Mr Subin said the Thai delegation was pleased with the results of the meeting, he said that Laotian intake of refugees back home had dropped off. Laos disputes this point. Laos has agreed to accept take in [as published] 300 refugees each year but the only year where Laos reached this target was in 1989 when Vientiane took back 352 people, according to Thailand.

Mr Subin said he raised this issue with Laotian officials who agreed to consider ways of increasing the repatriation rate. The minister said the Thai delegation suggested that one way to encourage more Laotian refugees to return home was to get those who had already returned to revisit the camps to tell residents of life back home. Mr Subin added that Laotian officials should also guarantee the safety of returnees and should allow the United Nations High Commissioner for Refugees (UNHCR) to follow them home to make sure they are safe and well. Laotian officials agreed to consider this proposal, Mr Subin said.

Deputy Laotian Foreign Minister Souban Salithilat said Laotian officials were satisfied with the results of yesterday's talks. But Mr Souban said, however, that Laos had kept its word in taking back 300 refugees a month. He also said that starting next year, Laos will take back 500 refugees a month. The Laotian minister also complained that a number of the returnees were causing political problems in Laos and working with right wing insurgent groups. The minister also said one problem which needs resolving is the high transport charges levied by the Express Transport Organisation and other private Thai transport firms. But he said overall ties had improved, adding that improved links between Thailand Laotian military had contributed to the improvement.

River Project, Seminar Noted

BK2011033990 Bangkok BANGKOK POST in English 20 Nov 90 p 2

[Text] Thailand and Laos have agreed in principle to establish economic and agricultural joint ventures as well as pursue development of the Mekong River Basin. Foreign Minister Subin Pinkhayan said this yesterday after returning from his two-day visit to Laos.

Mr Subin, the first Thai Foreign Minister to have visited Laos in a decade, said he met his counterpart, Phoun Sipaseut, Laotian Acting President Phoumi Vongvichit and Minister of Economic and Foreign Relations Phao Bounnaphon. He said both sides agreed that Thai-Laos relations have been greatly improved during the last two years, particularly after the visit of Her Royal Highness Princess Maha Chakri Sirinthon and Prime Minister Cahtchai Chunhawan to Laos.

Mr Subin said he had discussed the Mekong Basin Project and trade and economic issues with the Laotians where a lot of progress had been made. He said border problems were only facing technical hitches which could be worked out by officials of the two countries.

Laos wants to turn its centrally planned economy into a market economy and asked Thailand for advice in adjusting her system into one of free competition. Laos is now drafting a third five-year national economic and social development plan to start next March.

To this end the Thai Foreign Ministry will organise a seminar next April for Laotian officials and development experts to meet with members of the Thai private sector in Bangkok. The event will also give Thai businessmen the opportunity to learn of the changes taking place in Laos in the legal and taxation system to attract foreign investment, Mr Subin said. Thailand has also set aside a budget of 7.8 million baht to invite Laotian officials on study visits to Bangkok, Minister Subin said.

Strengthening of Relations Viewed

BK1811032790 Bangkok THE NATION in English 18 Nov 90 p B3

[Editorial: "Joint Thai-Lao Projects"]

[Text] This month's ratification of the Thai-Lao agreement on investment protection is a significant step forward in the arduous task of strengthening bilateral relations between the two "brotherly" countries. Foreign Minister Subin Pinkhayan's visit to Vientiane today and tomorrow will mark another major development.

A hydro-engineer by training, Subin will probably be very enthusiastic about discussing hydro-electric projects with Lao officials. The arid northeastern region of Thailand is in dire need of low-cost electricity. Across the border in Laos, there happen to be several locations where major hydro-electric dams can be built.

This looks like an ideal situation for mutual cooperation and benefits. In fact one of Laos's top foreign-exchange earners is its hydro-electric dams, the electricity from which it sells to Thailand. A recent positive response by Laos to Subin's suggestion on reactivating the Mekong Interim Committee, which deals partly with power generation in the lower basin of the river, indicates that Laos is ready to explore new ideas and reexamine old projects. This is a good sign.

Classified by the UN as a "least-developed" country, Laos has been trying to improve its socialist economy through a "new vision" that involves a gradual opening to trade with capitalist partners and foreign investment. But the pace of economic reform has been slow.

While Laos is at this transitional stage, its ability to increase trade with Thailand and absorb Thai investment is low. Uncertainties in Laos are not conducive to long-term investment; consequently, most of the Thais doing business in Laos are there for quick profits and short-term deals. Many Thais have tried, and sometimes succeeded, in opening doors and securing lucrative contracts and concessions in Laos with the help of influential patrons on both sides of the border. Rightly or wrongly, this tends to create suspicion of the Thais as being more opportunists than bona-fide investors.

Apart from the investment protection agreement, another encouraging development is the steady progress in the Thai-Lao bridge project. Details of the project will likely be finalized by next June and construction of the bridge linking Nong Khai with Vientiane may begin next November. This symbolizes the growing mutual confidence of both governments and the two peoples.

Laotians in Vientiane and other provinces bordering on Thailand regularly watch TV programmes on Thai networks. The flow of information from Thailand to Laos can help speed up economic reform and better prepare the Laotians for dealing with the outside world.

Because of news on Thai TV stations, many Laotians are now more aware of the need to protect the environment, such as by conducting an indepth environmental impact assessment of a hydro-electric project before building the dam. The Laotians know about the Nam Chon project, shelved two years ago because of its potential for adverse environmental impact, and about the strong local opposition to many dam projects elsewhere in Thailand.

In other words, Lao officials, with whom Subin will discuss hydroelectric projects, know that Thailand, particularly its Isaan region, is hard-pressed for alternative sources of power. They will be very interested to hear what Subin and Thailand can offer Laos in helping implement major infrastructure projects that will lead to long-term development benefits. Thailand, for its part, has advanced expertise in hydro-electric generation. It also has the financial resources, access to international funding agencies, and management skills to run major international cooperative projects.

In a recent interview with THE NATION, Subin mentioned Pa Mong and Nam Thuen Number 2 and said he would be interested in hearing the latest Lao views on these two hydro-electric projects. The Pa Mong project involves building one of the world's largest dams across the Mekong near Vientiane and turning enormous areas on both sides of the river into reservoirs.

Thailand would find the pains and costs of relocating the affected villagers unacceptable, no matter how tempting the benefits to the economy and to agriculture of such a project. Laos, however, will find it difficult to justify taking part in this mammoth project which will tend to benefit Thailand more than anyone else.

The Nam Thuan Number 2 project is a different story. Laos is interested in implementing this project, which involves building a dam with a total generating capacity of 600 megawatts (20 megawatts more than what Nam Chon would have produced). Laos will need a lot of help, especially from Thailand, in opening up its central region. One ideal starting point is from Thakhek, opposite Nakhon Phanom.

However, before plunging into this project, both Thailand and Laos must make sincere efforts in studying its environmental impact or reevaluating existing data on this vital issue. The relatively free press in Thailand has only recently manageed to force the Thai government to pay some attention to doing environmental impact assessments for all public projects. In Laos, without direct public pressure, the government may overlook this prudent step.

Both sides must be extra careful in discussing this joint project. Thailand, for one, must not appear like a selfish big brother trying to lure Laos into any hasty decision that could backfire on both countries later.

Minister Discusses SRV Oil Exploration Panel

BK2011025590 Bangkok THE NATION in English 20 Nov 90 p B12

[By Prakopphong Panaphun and Phitchaya Changson]

[Text] Thailand and Vietnam have agreed to form a special committee to investigate offshore petroleum exploration in the overlapping area between the two countries in the Gulf of Thailand. The oil exploration area in the Gulf covers approximately 6,000 square kilometres. Currently the Vietnamese Government has approved concessions for nine international companies, while Thailand has granted three—to Unocal, Sun Oil Co and the Petroleum Authority of Thailand's [PTT's] Petroleum Exploration and Production subsidiary.

Kon Thappharangsi, minister attached to the Prime Minister's Office who recently visited Vietnam, said that negotiations with Hanoi resulted in the agreement to set up a joint working committee to conduct a feasibility study into ensuring full utilization of the area. The details will be further discussed during a visit by the Vietnamese Prime Minister Nguyen Co Thach to Thailand in late January next year.

Kon said the cooperative effort was considered necessary for the tract in order to resolve any conflicts over rights to exploration similar to those that occurred between Thailand and Malaysia. However, the area in question has not been explored by any concessionaire. He said that the negotiations over the issue were raised to fulfill the objectives of the National Energy Policy Committee, chaired by Prime Minister Chatchai Chunhawan, which is to encourage cooperation on petroleum development with Vietnam.

Kon has proposed that the Foreign Minister assign the director general of the Treaties and Legal Affairs Department to head the Thai working committee, while members will be drawn from the PTT and the Department of Minerals and Resources.

During his trip, the minister also met with the Vietnamese minister responsible for investment promotion and foreign relations and six other officials to discuss three important issues, including opportunities for Thai investment in Vietnam, possible investment in hotels and tourism-related businesses and cooperation for offshore petroleum exploration.

As a result of the talks, Kon said, Hanoi has shown a willingness for Thai businessmen to invest more in the country, which is adapting its economic policies to be more open to foreign investors. "Vietnamese authorities expressed the wish that they would like to see their own businessmen succeed in business like the Thais," noted Kon.

Even though many international investors have visited Hanoi to negotiate the establishment of joint ventures with the Vietnamese Government, Thai investors have considerable advantages over them because of the geographical location and the short travel time between the two countries.

Hanoi officials are encouraging the formation of joint venture projects with Thailand as Vietnam is not an economic power, Kon said, adding, "Vietnam's opened economic policy is like Thailand's 30 years ago."

Kon said the discussions with Vietnamese officials on investment were on two levels. Firstly, the disadvantages of Vietnam's investment law, which controls the inflow and outflow of capital and profits generated from investments. However, the Vietnamese ministers told the Thai team that the law had already been approved by the government.

Secondly, they discussed the process for investment promotion controlled by Vietnam's investment promotion office which was established two years ago. Authorities have asked Thailand for their opinion on the draft of the investment promotion process, and Kon has assigned Chira Phanuphong, secretary-general of the Board of Investment to study it.

Kon has encouraged Thai investors to make a quick decision to get into Vietnam before opportunities start to vanish under the weight of investors from other countries moving equally smartly.

"Vietnamese authorities ae ready to help solve legal obstacle and shortages of basic infrastructure and public utilities such as water supply, electricity, roads and telephones under the concessionaire system," he said.

Vietnam is drawing a growing number of potential investors because it is rich in natural resources and has a market of over 60 million consumers. Additionally, infrastructure necessary for investment, such as deep sea ports and natural gas, are factors attracting overseas investors.

Kon noted the possibility for Thai investment in two areas, including agro-industry and tourism.

Vietnamese authorities said that moves are underway to approve the setting up of foreign bank branches and financial institutions. Bangkok Bank and Thai Military Bank have [been] seeking approval to open branches.

Additionally, the country is now developing more hotel accommodation and increasing flight capacity by approving more scheduled services by SAS [Scandinavian Airline System].

Minister Reports Signing of Agreement With EC

BK1611152590 Bangkok Army Television Channel 5 in Thai 1230 GMT 16 Nov 90

[Text] Commerce Minister Amaret Sila-on returned today from negotiating a tapioca trade agreement with the European Community [EC] in Brussels, Belgium. He told newsmen at Bangkok Airport about the outcome of the talks. According to him, Thailand yesterday signed an annex to the protocol on the tapioca trade agreement with the EC. The agreement is valid for four years—from January 1991 to December 1994. Under the agreement, Thailand will be given a quota of 21 million tonnes for the export of tapioca pellets to the EC, or 5.75 million tonnes annually. Besides, Thailand is allowed to use up quotas from the preceding or the following year of each contract. The agreement is fair to both parties; to tapioca farmers, traders, as well as consumers. It will contribute to better relations between Thailand and the EC.

Saudi Arabia Grants Amnesty to 216 Prisoners

BK1611124190 Bangkok Voice of Free Asia in Thai 1030 GMT 16 Nov 90

[Text] The Foreign Ministry has received a report from the Thai Embassy in Riyadh. The report states that apart from the Thai ambassador and embassy officials visiting and giving necessary items to Thai prisoners in the various prisons in Saudi Arabia, the Thai Embassy has also tried to obtain their release. The Thai Embassy has submitted a letter to the Ministry of Foreign Affairs of Saudi Arabia requesting amnesty, the reduction of punishment, or the release of Thai prisoners whenever possible.

The Saudi Arabian Ministry of Foreign Affairs has sent a letter to the Thai authorities in Saudi Arabia informing them about a list of 216 Thai prisoners who are to be granted amnesty on the occasion of the annual Ramadan of 1990. Most of them have been in jail on whiskey charges and were arrested in 1989 and 1990. They were sentenced to no more than two years in prison.

Two male prisoners, who were sentenced to 15 years in prison each on marijuana charges and have already been in jail for eight years, will also be released on the same occasion.

Rally Bombing Possibly 'Politically Motivated'

BK1911035290 Bangkok THE NATION in English 19 Nov 90 p A8

[Text] Two bombs that exploded near a rally being staged by Agriculture Minister Chuan Likphai in Yala on Friday were possibly politically motivated, a police officer and the minister's secretary said yesterday.

Pol Lt Gen [Police Lieutenant General] Manat Khrutchaiyan, a deputy police director general, and Chulin Laksanawisit, Chuan's secretary, discounted suspicions that the bombs could have been planted by Muslim terrorists.

The bombs went off near the Yala Youth Centre where Chuan was addressing a crowd of Democrat Party members and supporters.

But Chuan, an MP representing the southern province of Trang, indicated that the explosions could be the work of Muslim terrorists. He said the scope of the problem of southern terrorists was not fully understood by government authorities.

Pol Lt Gen Manat, who inspected the scene of the explosion on Saturday, said police initial findings ruled out terrorists' role. He suggested that the incident was politically motivated. He claimed police investigators had some clues as to who planted the bombs. "Police will make arrests once they have more evidence" he said. Chulin, Chuan's secretary, also said he believed the explosions had a political motive.

Yala is one of several southern provinces where Muslim secessionists were once active.

Editorial Praises Lifting of Ban on Rallies

BK1711130190 Bangkok MATICHON in Thai 17 Nov 90 p 8

[Editorial: "The Military and Democracy"]

[Text] General Suchinda Khraprayun, director of the Capital Security Command, has issued an order lifting the ban on rallies around the Government House only three days after the ban was imposed. This is an appropriate solution to help prevent criticism over the order from escalating into a conflict between the dictatorship and democracy.

If such a confrontation had been allowed to continue and to cause confusion among the general public, it would not have been beneficial to the institution of the military. It may have also affected the government's stability and the democratic system as a whole if all sides concerned had not changed their attitude.

This solution is in line with the real political and economic situation under an atmosphere of the people's awareness of democracy. This shows that any movement by political groups within the framework of laws and rules of the democratic system is legitimate and can be carried out if it does not violate the rights and freedom of others. Such a movement should also not be seen as an attempt to topple the administrative power.

Importantly, it shows that the institution of the military has listened to the opinions and criticism of other political groups and is ready to follow their reasonable suggestions. This is a basic factor in preserving and strengthening the democratic system.

When all sides accept this premise, it opens the way for all groups to check, control, and supervise the administration of government and the work of the members of the Parliament. It will give bargaining power to all interest-holding groups and create a state of balance. The news about movements within the society will also be equally publicized to all sides concerned.

On the other hand, if any side still stubbornly insists on imposing its own ideas, depends on arms and men for its power, refuses to accept different opinions from other parties, tries to assert its power to achieve temporary victory, and refuses to accept any compromise, then it will only cause damage to society.

Paper Analyzes Cabinet Reshuffle Possibilities

BK1811060390 Bangkok BANGKOK POST in English 18 Nov 90 p 4

["Weekend Analysis" by Banyat Thatsaniyawet: "Chatchai Ponders Move on Reshuffle"]

[Text] Prime Minister [PM] Chatchai Chunhawan returned home last night after spending two extra days in Hong Kong pondering his next move following increasing military pressure to reshuffle his Cabinet.

Gen Chatchai postponed his return home after leaving Beijing on Wednesday so he could assess the political situation following rising tension and uncertainty prompted by PM Office Minister Chaloem Yubamrung's verbal attack on Supreme Commander Sunthorn Khongsomphong over the mobile radio station issue.

Just before he left for his trip to China and Japan last week, the Prime Minister announced at the airport that he would make a Cabinet reshuffle on his return and that Minister Chaloem would not be included in the new line-up. Gen Chatchai's statement came after a top-level meeting with Army top brass who reportedly "suggested" he oust three key ministers from the Cabinet, Minister Chaloem, Communications Minister Montri Pongphanit said Interior minister Banhan Sinlapa-acha.

Informed sources said, however, that during that meeting at Soi Ratchakhru, the Prime Minister agreed to announce a Cabinet reshuffle before he left, but then announced it would occur when he returned from his trip.

Members of the military are unsure if Gen Chatchai can effect a reshuffle according to their wishes, judging from his actions, the sources said.

Political analysts also believe the Prime Minister will find it tough complying with the Army's call. Since his departure, there has been considerable political movement prompting uncertainty and tension.

Although Mr Chaloem announced he would not use information privy to him as a minister once he stands in Opposition, informed sources told the BANGKOK POST that several thousand letters were circulated to Muan Chon members and supporters in Buri Ram Province.

Residents were urged to converge on Government House on November 13 to express their support and faith in the controversial minister. The letters stated that certain groups had tried to pressure the Muan Chon Party even though leader Chaloem had performed his duties honestly. Buri Ram residents were urged to come to Bangkok to "defend the honour and dignity of the party" and "lend moral support" to Mr Chaloem.

In response, the Army radio attacked the planned move, saying such a gathering would only cause further confusion. Late on November 12, Army chief Gen Suchinda Kraprayun, in his capacity as director of the Capital Security Command, issued an order banning all "unusual" gatherings involving more than 10 people in front of Government House and its close vicinity.

It is worth nothing that Gen Suchinda, who has said the Army will not interfere in politics, has flexed his muscles repeatedly and more frequently over a relatively short period of time. Gen Suchinda first flexed his political clout publicly when he announced that the Army fully backed Gen Sunthon following Mr Chaloem's verbal attack.

The Army chief said the military fully supports the actions of the Supreme Commander on all matters concerning national security and the honour and dignity of the Armed Forces.

In the same breath, Gen Suchinda referred to the Army's previous suggestion to the Prime Minister that the three controversial ministers be transferred from their posts in a reshuffle. If Gen Chatchai failed to do this, he said, he risked losing the military's faith and support.

Gen Suchinda also issued Mr Chaloem a strong warning, although he did not mention the minister specifically. He told the minister that he should not cause any further problems, such as mobilising mass support, otherwise he might not have "land to live in."

The general's comments have certainly increased the political temperature considerably as well as prompting criticism and comment from MPs and students who urged the Army chief to revoke his order. Solidarity deputy leader Uthai Phimchaichon, for instance, said he saw no internal or external problem which justified such an order.

Chat Thai MP Chaturon Chaisaeng poignantly noted that Gen Suchinda's statement shows there are two centres of power, the Government of elected representatives and the "military which cannot be touched". He accused the Army chief of trying to show who the real power is when the Prime Minister is not in the country. MP Chaturon also said Gen Suchinda's statement was an attempt to test public reaction over prospects of a coup d'etat.

Based on the strong posture adopted by the Army, political analysts believe the Army is unlikely to take any step backwards and that increased, political tension is likely once Gen Chatchai steps off the plane at Don Muang Airport tonight.

Political manoeuvering is not limited to the Army. Factions within the core Chat Thai Party have started with deputy leader Thawit Klinprathum proposing that deputy party leaders meet to discuss the impending reshuffle as so to draw up proposals and guidelines for the Prime Minister when he returns.

The so-called Justice Group within the party, supposedly headed by the former Justice Minister Sa-at Piyawan, has also suggested five people who should be included in the new Cabinet.

With heightened political activity this week, it should come as no surprise that Gen Chatchai decided to spend a couple of extra days in Hong Kong before he returned to face unresolved political problems. Analysts believe Gen Chatchai realises he has very little room to manoeuvre.

Even though he is the leader of the Chat Thai Party, with 96 MPs in the House, his decision to resolve political problems is his alone and he cannot consult other senior members of the party. "Members of the Chat Thai Party may sleep in the same bed, but they have different kinds of dreams," noted one analyst.

Political analysts believe a likely option Gen Chatchai could adopt is to buy more time. They noted he floated the idea during his meeting with top brass before he left, suggesting everyone should wait until the result of next Sunday's Bangkok Constituency 2 by-election is known before deciding on a reshuffle. Gen Chatchai is probably hoping that Social Action's Dr Kasem Sirisamphan could win the by-election, giving him just a little bit more room to manoeuvre and reshuffle within the SAP [Social Action Party], which reduces tension a degree.

But if pressure increases and Gen Chatchai, for some reason, is unable to wait that long, political observers believe the Prime Minister may dissolve the House and call an election. By doing so, he would remain the head of the caretaker Government. The Chat Thai Party would be at an advantage, financially and would have control over the state's election organising machinery.

Analysts believe Gen Chatchai will probably not resign. Such a decision would mean he would have to strike a gentlemen's agreement with various coalition parties so he would be chosen against to head the Government. But by resigning, the risks are higher and the prospects that he may not be chosen are equally high.

Article Lauds Abrogation of Press Control Decree

BK1911031290 Bangkok BANGKOK POST in English 19 Nov 90 p 4

[Editorial: "A Tribute to Free Expression"]

[Text] For the good part of this year, members of the local press fraternity—this newspaper included—have mounted a concerted campaign for the abrogation of the controversial, press-gagging National Administrative Reform Council Announcement Number 42, or Decree 42 in short. The action was preceded by similar but intermittent efforts by various Thai journalist groups dating back to right after this draconian edict was decreed 14 years ago. At long last, these efforts have borne fruit. A Royal Decree countersigned by Prime Minister Chatchai Chunhawan and announced over Radio Thailand last night effectively repealed Decree 42.

The latest development is welcome news for Thailand's print media. For a long time newspapers in this country had been subject to the whims of the powers-that-be in various government, political and military circles who, exercising their influence through the Press Officer, could mete out arbitary punishment against newspapers they perceived to have done wrong. Although the summary closure of newspapers—the most severe penalty—has been rarely carried out, the very existence of Decree 42 had constituted a menacing threat, sapping the morale of journalists and undermining freedom of expression.

Whether the Prime Minister initiated the Royal Decree repealing this draconian edict out of genuine good faith, or his wont to placate an incresingly critical press at a time when his government was facing unfriendly pressures from all sides, is now beside the point. The essential thing is that his name will go down in history for uplifting Thai political and social reforms to a higher plain. In the practical sense, the Thai press has already been known as possibly the most free in Southeast Asia, a major plus for Thailand in the eyes of the international community. This freedom is made all the more wholesome now that the most serious legal hindrance has been removed. There should also be other positive economic spinoffs, such as in the enhancement of Bangkok as a new regional publishing centre for the printing of foreign newspapers and magazines.

But more importantly, the repeal of Decree 42 should translate into a better deal for the Thai public. The fact that local newspapers had to exercise some degree of self-censorship on certain important but sensitive issues—for fear of official reprisal under Decree 42—meant they were not able to fully perform their basic duty of serving as a medium of information. This in turn hampered the public's right to know. Notwithstanding likely improvement on this front, the expected proliferation of more Thai-language publications as a result of easier licensing terms under the still applicable 1941 Printing Act (as against the rigid licensing control under Decree 42) should lead to a further streamlining of journalistic quality in the face of greater competition.

In order to maintain the sanctity of Decree 42's repeal, the Prime Minister will now have to live up to his other promise of spiking the government-sponsored new press bill which has been under parliamentary scrcutiny after passing a first reading recently. Gen Chatchai has stated on record before that he would "withdraw" this legislation as and when the next parliamentary session is convened. Indeed yesterday's repeal would ring hollow if the new bill is to be pushed into law in its present form since it contains the same essence of giving the government arbitrary power to close down newspapers without trial as embedded in Decree 42.

It would be heartening to assume that this other promise by the Prime Minister will be fulfilled in due course. Beyond that, the next logical move would be for the print media, the government and other interested public groups to pool their resources and ideas to collectively map out a new, freedom-of-information law that corresponds with the country's evolving political and social maturity.

Opium Production Increases in Northern Province

BK1711040590 Bangkok THE NATION in English 17 Nov 90 p A4

[By Kamphon Khotsaengma]

[Text] Chiang Mai—The northern province of Mae Hong Son has become the country's number-one opium producer, as it is near heroin refineries on the Burmese side of the border, the provincial police chief said. Mae Hong Son Police chief Pol Col [Police Colonel] Charoen Maniwong told THE NATION that raw opium produced in the province is being supplied to refineries run chiefly by cohorts of drug warlord Khun Sa.

While not giving specific details about the volume of the opium production or the size of cultivation areas, he said that the opium growing involves only a minority of some 80,000 hill-tribe people in the province.

According to police findings, most of the heroin refineries that receive opium from planters in Mae Hong Son are in Burma. The operations were rarely found on the Thai side of the border because police and local authorities have launched regular crackdowns against the drug manufacturing, said Charoen.

The officer said it is difficult for authorities to completely eliminate opium growing in Mae Hong Son as the natural wilderness prevents easy access to growing areas and suppression is hampered by a shortage of manpower and equipment. In addition, those involved in heroin manufacturing are often influential people and it is difficult for police to reach them, he said.

Apart from their operations against drug manufacturing, local police have stepped up suppression of war weapons smuggling along the Thai-Burmese border in Mae Hong Son, said Charoen.

Despite the anti-smuggling operations, some arms traders are still smuggling war weapons across the border to minority rebels fighting the Burmese military government, he said. The officer said armed clashes between Burmese govrnment troops and rebel forces have been taking place sporadically on the Burmese side during the past few months and that Thai villagers in Mae Hong Son were not seriously affected by occasional fighting spillovers.

Vietnam

More Remains of U.S. MIA's Reportedly Returned

BK2011161990 Hanoi VNA in English 1516 GMT 20 Nov 90

[Text] Hanoi VNA Nov. 20—Representatives of the Vietnam Office for the Search of Missing Soldiers yesterday returned here ten remains and an evidence of another case of US servicemen reported missing during the Vietnam war to the representatives of the US Joint Centre for Casualities Resolution.

This is the 32d time Vietnam returned remains of MIAs to the US side, bringing the total of remains handed over to the latter to 434 (four three four).

Media Reports on U.S. Vietnam Veterans' Visit

BK1811112290 Hanoi VNA in English 0713 GMT 18 Nov 90

[Text] Hanoi VNA November 18—American Vietnam veterans are helping the Vietnamese people heal war wounds by building clinics for them.

At Yen Vien, a junction town 10 km east of Hanoi, which was razed by U.S. carpet bombing in late December 1972, a team of nine Vietnam veterans, together with locals, are working on a clinic of 10 rooms, a total floor space of 300 square metres. The new clinic, when it opens on October 20, will serve the more than 30,000 inhabitants of Yen Vien and the seven surrounding villages.

The construction costs of more than 30,000 U.S. dollars are covered by Veterans Vietnam Restoration Project (VVRP), and medical facilities and medicines will be provided by the North Country Clinic of Arcata, California, USA. Also, a visit will be made to Yen Vien

Clinic later this year by a delegation of Arcata Clinic to explore possibilities of establishing formal relations between the two.

Yen Vien Clinic is the VVRP's third project. The first two were built last year, one at Vung Tau, 100 km southwest of Ho Chi Minh City, and the other at Vinh, a city in central Vietnam almost totally destroyed by U.S. bombs.

The VVRP team members came to Yen Vien with different feelings. But they all saw in the visit an "opportunity to come back to learn the truth about Vietnam." John Burns, 43, from Hawaii, was in Vietnam in 1967-69 in the 45th Combat Engineer Battalion attached to the 1st Air Cavalry, I corps. Said he: "I came back for two reasons. One was to find some peace of mind. The other was to have an opportunity to come back to learn the truth about Vietnam. I wanted to know what Vietnam is really about. We learned nothing about Vietnam before, except what our government told us. It didn't take long to figure out, to feel that something was very wrong with what was going on. I wanted very much to come back and learn about Vietnam and find the truth about the people... and this has been the most incredible experience of my life".

Cherie Rankin, the only woman member, was not sure how she would feel at first coming to Hanoi. "But I like Hanoi very much, and it's a wonderful trip", she said. An American Red Cross worker who served in Da Nang, Quang Tri and Cam Ranh in 1970-71, Cherie Rankin said her first reason to join VVRP was to "try to influence our government to stop its embargo and establish relations with Vietnam. The other reason was to try to do something constructive in a country where I was involved in doing something destructive before".

Art James, 40, from Maryland, thought much of things concerning Vietnam veterans from both sides. The former infantryman in the First Air Cavalry who was based in Phuong Long Province in 1969-70 admitted that the Vietnam war impact on the majority of American veterans was "severe". He told VIETNAM WEEKLY: "But I don't think we have suffered really as much as the Vietnamese people have suffered."

The reason for his coming to Vietnam this time was that "It would help if American Vietnam veterans would become more familiar with the Vietnamese people, and that's what I think a lot of time about, that normalisation of relations is important, and friendship is important-...The government would like us to think that there's an enemy somewhere out here. But it's not true. So part of my thinking is that I want to be with the people here and your frankness, your forgiveness is what touches my heart... I think forgiveness is part of a message that I need when I go back to America".

Ted Hesselton, from Maine, was with the 20th Brigade, 92nd Engineers, in Long Binh and Ben Cat in 1968-69. "I will never forget the war but now I have memories of the Vietnamese people at peace, the nation at peace," he said. "The Vietnamese people are very friendly and have treated me very well".

"I am an American veteran of 3 years in the U.S. Army and my wish is that the U.S. Government drop the trade embargo and establish formal diplomatic relations with the Vietnamese nation and people".

Chris Myers, who was with U.S. aid in Binh Dinh in 1966-68, said "I hope to understand the situation well enough to be able to explain to the American people why the policy of the U.S. Government must be changed.

"When we return to the U.S., we will talk to friends and colleagues, and show our photographs so that other Americans can understand more clearly what is happening here", he promised.

AFP Cited on U.S. Blocking of Airbus Sale

BK1611154090 Hanoi Domestic Service in Vietnamese 1100 GMT 16 Nov 90

[Text] On 15 November, AFP carried a report quoting well-informed sources as saying that the United States is blocking the sale of two Airbus aircraft to Vietnam. Cocom [Coordinating Committee on Multilateral Export Controls], the organization responsible for supervising the sales of sensitive technological equipment to East European and other countries, had agreed to sell two Airbus planes before the summer of 1991. Washington, however, cited its embargo against Vietnam as an excuse to stop the sale, contending that these European-made aircraft contain many mechanical parts manufactured in the United States.

Indonesia's Suharto Continues Visit Activities

Speaks at Hanoi State Dinner

BK2011012690 Hanoi VNA in English 1642 GMT 19 Nov 90

[Text] Hanoi VNA November 19—A state dinner was offered this evening at the Presidential Palace by President of the State Council Vo Chi Cong in honour of President and Mrs. Suharto and their party on an official visit to Vietnam.

In his welcome speech, President Vo Chi Cong said: "This historic visit to Vietnam by Your Excellency is opening a new page in the annals of the traditional relations of friendship between our two countries.

"With her clearsighted decisions, Indonesia has played a leading role in ushering in a configuration of dialogue between the two groups of countries in Southeast Asia and now in making a breakthrough in relations with Vietnam at the new stage.

"Time has born testimory to the firm foundation of Vietnam-Indonesia friendship and mutual trust the prospect of the Vietnam-Indonesia cooperation is good and very promising. The present situation all the more requires our two countries to further strengthen our multi-faceted cooperation in the interest of our two peoples and for the benefit of peace, stability and cooperation in our region. For our part, our state and people will do our utmost to contribute to the unceasingly consolidated and developed bonds of friendship and cooperation between Vietnam and Indonesia."

In his return speech, President Suharto said:

"Since 1967, Indonesia together with other ASEAN member-states have attempted to create a peaceful and stable Southeast Asian region. It is in this context that we, as well as other ASEAN members, are highly encouraged that the efforts to find a just, lasting and comprehensive solution to the Cambodian issue are almost completed. The settlement of the Cambodian problem will open a new chapter in the history of Southeast Asia, in line with the on-going changes in the world today. Its solution will not only end the sufferings of the Cambodian people, but open wider possibilities to all nations in the region for the promotion of a mutually beneficial cooperation. Therefore, Indonesia entertains high hopes that in line with the process of finding a solution to the Cambodian issue, relations between countries in Southeast Asia are also showing encouraging developments.

"My present visit to your beautiful country, the reciprocal visits by leaders of our two countries and our existing relationship are some of the manifestations of the heartening developments in our region. I firmly believe that the increased cooperation in the economic, technical and scientific fields between our two countries will sustain the development that we are both carrying out intensively.

"Meanwhile, we have also followed with great interest the renovation or "doi moi" being conducted by the Vietnamese people. We share the joy of watching the encouraging results. I would like to use this opportunity to extend my sincere congratulations for the success that Vietnam has achieved in its development, especially in the agricultural sector as demonstrated by the increased foodstuffs production. In fact, Vietnam resumes the position as one of the rice-exporting countries."

The dinner was followed by an art performance.

Welcomed by Vo Chi Cong Speech

BK2011041190 Hanoi Domestic Service in Vietnamese 1430 GMT 19 Nov 90

["Text of welcome speech" by Vo Chi Cong, chairman of the Council of State, at a state dinner given in honor of visiting Indonesian President Suharto and his party at the Presidential Palace in Hanoi on the evening of 19 November—read by announcer]

[Text] Your Excellency President and Madame Suharto;

Distinguished Indonesian guests;

Comrades and friends;

First of all, on behalf of the people, Council of State, and Council of Ministers of the Socialist Republic of Vietnam, I would like to warmly greet President and Madame Suharto as well as other Indonesian guests paying an official friendship visit to our country. We are elated to have the opportunity to welcome His Excellency the President, the messenger of friendly Indonesia, a great friend of our people.

Vietnam and Indonesia are two close neighbors bound by time-honored friendly relations that have left many deep imprints on the cultures and sentiments of our two nations. Once suffering the same fate as victims of foreign aggression, 45 years ago the peoples of Vietnam and Indonesia rose up in struggle to carry out their respective August revolutions, overthrow the yoke of foreign domination, and win back national independence and freedom. Since then our two peoples have supported each other in the defense of national independence and construction, thereby cultivating a fine, friendly relationship.

More than three years ago, cooperation between our two countries set in motion the process of dialogue in the Cambodian issue and led to profound developments in the region which we can still witness today. This historic visit to Vietnam by Your Excellency is opening a new page in the annals of the traditional relations of friendship between our two countries.

With its clearsighted decisions, Indonesia has played a leading role in opening up dialogue between the two groups of countries in Southeast Asia and now in making a breakthrough in relations with Vietnam in the new stage. Time has borne testimony to the firm foundation of Vietnam-Indonesia friendship and mutual trust. The prospect of Vietnam-Indonesia cooperation is good and very promising. The present situation all the more requires our two countries to further strengthen our multi-faceted cooperation in the interest of our two peoples and for the benefit of peace, stability, and cooperation in our region. For our part, our state and people will do our utmost to contribute to the unceasingly consolidated and developed bonds of friendship and cooperation between Vietnam and Indonesia.

In the eyes of the Vietnamese people, Indonesia is not only a rich and beautiful country with more than 10,000 islands, a land of courageous and industrious people and a magnificent culture, but also a country with a glorious history and a tradition of valiant and undaunted struggle in the process of winning back and defending national independence, resolutely opposing all schemes to draw various states in the region into military alliances and aggressive wars against other countries in the region. Today the Indonesian people, under the leadership of Your Excellency, are strongly developing national construction under the slogan of self-reliance.

We welcome the great and outstanding achievements of Indonesia in many fields, including agriculture and family planning, which have been highly appreciated by the world community. We attach importance to Indonesia's position in Southeast Asia, the Asia-Pacific Region, and the Nonaligned Movement in today's world. We highly value Indonesia's foreign policy as reflected in the immortal Bandung spirit, in its dynamic diplomatic activities, and in its persistent efforts aimed at seeking solutions to the burning issue in our region, namely the Cambodian issue. A symbol of these efforts was the famous Jakarta meetings. From the bottom of our hearts, we sincerely wish the fraternal Indonesian people happiness and prosperity and the Indonesian state unceasing development of its international position.

Esteemed President and Madame Suharto,

Ladies and gentlemen,

Dear friends,

After long years of arduous struggle for national independence, freedom, and national reunification, our people earnestly wish to live in peace and stability in order to develop their economy, improve their living standards, and continue to advance on the path of social progress. To this end, we have resolutely carried out the renovation policy, and have obtained important initial results. To this end, we have persevered in our independent, sovereign, peaceful, and friendly foreign policy toward other countries on the basis of respect for each other's independence and sovereignty and equal and mutually beneficial cooperation. We consider the objective of building Southeast Asia into a region of peace, stability, friendship, and cooperation a priority direction. We firmly believe that Vietnam and Indonesia will cooperate closely with each other and will make important contributions to the efforts of other countries in the region to resolutely realize this lofty cause.

I sincerely wish Your Excellency and Madame Suharto and the other Indonesian guests fine success in your noble mission. I would like to invite you to raise your glasses in a toast to the ceaseless consolidation and development of the traditional friendship and multifaceted cooperation between Vietnam and Indonesia; to the transformation of Southeast Asia into a region of peace, friendship, and cooperation; to the good health of President and Madame Suharto and the other distinguished Indonesian guests; and to the good health of all friends present on this occasion.

Received by Nguyen Van Linh

BK2011052990 Hanoi Domestic Service in Vietnamese 0500 GMT 20 Nov 90

[Text] According to Voice of Vietnam correspondents, this morning, 20 November, in Hanoi, President and Madame Suharto and other distinguished Indonesian guests, currently on an official friendship visit to Vietnam, paid a floral tribute to President Ho Chi Minh in his mausoleum. After that, President Suharto and the distinguished Indonesian guests visited President Ho Chi Minh's residence and office. The Indonesian guests expressed their emotions at having the opportunity to see with their own eyes the simple and modest life of President Ho Chi Minh, who was credited with cultivating the fraternal friendship between the Vietnamese and Indonesian peoples.

This morning, at the Presidential Palace, Comrade Nguyen Van Linh, general secretary of the Communist Party of Vietnam, cordially received President Suharto. The reception took place in an atmosphere of mutual understanding and close friendship between the two peoples.

Also at the Presidential Palace this morning, Vo Chi Cong, chairman of the Council of State, and Do Muoi, chairman of the Council of Ministers, successively held private talks with President Suharto. During that time, Nguyen Co Thach, foreign minister and vice chairman of the Council of Ministers, held talks with Indonesian Foreign Minister Ali Alatas. Tran Dan Luong, vice chairman of the Council of Ministers, held talks with Radius Prawiro, Indonesian coordinating minister for economics.

In Hanoi this morning, Madame Suharto paid a visit to the Nguyen Viet Xuan School for Orphans and the Hanoi Fine Arts Museum.

Third Quarter Trade With Soviet Union Reported

BK1711154990 Hanoi VNA in English 1519 GMT 17 Nov 90

[Text] Hanoi VNA November 17—In the first nine months of 1990, exports from southern provinces of Vietnam to the Soviet Union increased by 48 percent over the same period last year. This was disclosed by G.N. Mazayev [name as received], representative of the Soviet Commercial Office in Vietnam.

The exports included 4,660,000 garments, 4,515,000 pairs of shoe uppers, and 96,000 tons of rice. 200,000 more tons of rice are expected to be delivered to the Soviet Union by the end of this year. The export value of tea, canned fruits and vegetables, alcoholic drinks, yarn and garments to the Soviet Union increased by from one to 3.9 million rubles.

G.N. Mazayev added that in the 1991-95 period, in furtherance of agreements between the two governments, the Soviet Union will continue to supply Vietnam with steel, aluminium, fertilizer, trucks, tractors...in exchange for rice, rubber, tin, tea and industrial consumer goods.

Oil Enterprise With Soviets Increases Output

BK1911145390 Hanoi Domestic Service in Vietnamese 2300 GMT 19 Nov 90

[Text] LAO DONG (Labor) newspaper reported that the exploitation enterprise of the Vietnamese-Soviet Petrolem Joint Venture [VIETSOVPETRO] has applied technological innovations to ensure smooth operations at various oil wells and rigs, thus helping to improve crude oil production quantitatively and qualitatively.

During the past 10 months, the enterprise produced 2.2 million tonnes of crude oil, exceeding plan norm by seven percent. About 2.1 million tonnes of high-quality "commercial oil" have been exported.

New Oil Well Said Discovered Off Vung Tau

BK1911142490 Hanoi Domestic Service in Vietnamese 2300 GMT 18 Nov 90

[Text] The Vietnam Petroleum General Corporation [PETROVIETNAM] has reported that the 17C-1X oil rig of the British-owned Enterprise Oil, which engaged in a joint venture with Vietnam, has hit oil while conducting prospection drill. It is estimated that 300 barrels can be obtained per day from this newly discovered well during the trial pumping.

The well gives petroleum with properties similar to that taken from the Bach Ho general oil deposit. The Enterprise is studying methods to optimally exploit the well.

The ship Dan Uchess of the Lauritze Shore Company conducted the drill about 130 km south of Vung Tau and at the depth of 40 meters.

This is the first success of the British-owned Enterprise Oil in Vietnam. The Enterprise is continuing its exploration at lot 21 on the Vietnamese continental shelf.

Joint Factory-Building Venture With Taiwan

BK1711095990 Hanoi VNA in English 0712 GMT 17 Nov 90

[Text] Hanoi VNA Nov. 17—A joint venture in building a monosodium glutamate factory has started at Hoc Mon on the outskirts of Ho Chi Minh City between the Food Company of the city and Vewong Food Industry Group of Taiwan.

The Vietnam state commission for cooperation and investment has granted licence to this joint venture with a registered capital of 38,725,000 US dollars, of which the Vietnamese side contributes 35 per cent. The contract is for 20 years.

The factory will be built in three phases. It is expected to turn out 6,000 tons a year in the first phase 12,000 tons in the second phase and 20,000 tons on completion.

Vice President Nguyen Huu Tho Returns 16 Nov

BK1611152790 Hanoi VNA in English 1450 GMT 16 Nov 90

[Text] Hanoi VNA November 16—Vice President of the State Council Nguyen Huu Tho came back here today after attending the coronation on November 12 of Japanese Emperor Akihito.

He was greeted by Le Quang Dao, vice president of the State Council and chairman of the National Assembly; Tran Duc Luong, vice chairman of the Council of Ministers; and others.

Japanese Ambassador to Vietnam Kuniaki Asmura was also present.

Thai Economic Delegation Concludes 3-Day Visit

BK1611154190 Hanoi VNA in English 1452 GMT 16 Nov 90

[Text] Hanoi VNA November 16—A Thai economic delegation led by Kon Thappharangsi, minister attached to the prime minister's office, left here today, concluding its three-day visit to Vietnam.

While here, the Thai guests paid tribute to the late President Ho Chi Minh at his mausoleum, visited his residence and office.

The Thai delegation exchanged views with the Vietnamese side headed by Minister Dau Ngoc Xuan, chairman of the State Commission for Cooperation and Investment, on measures aimed at enhancing the economic and trade ties between Vietnam and Thailand as well as on the possibilities to broaden Thailand's cooperation with an investment in Vietnam. Minister Kon Thappharangsi and his party had working sessions with Minister of Trade Hoang Minh Thang, Minister of Heavy Industry Tran Lum and Minister of Culture, Information, Sports and Tourism Tran Hoan. The Thai delegation held that Vietnam and Thailand are two neighbouring countries and are rich in potentials for developing their mutually beneficial relations and contributing to regional prosperity, particularly in the fields of trade, oil and gas, tourism and infrastructural construction. The two sides reached consensus on a number of measures to expand their ties in several economic domains in the coming period of time.

On 15 November 1990, Vice Chairman of the Council of Ministers and Foreign Minister Nguyen Co Thach warmly received the Thai guests.

Chairman Do Muoi Receives Vatican Delegation

BK1311153290 Hanoi VNA in English 1455 GMT 13 Nov 90

[Text] Hanoi VNA Nov. 13—Chairman of the Council of Ministers Do Muoi received here yesterday afternoon a delegation of the Holy See led by Cardinal Roger Etchegaray, president of the Pontifical Council for Justice and Peace, and the Pontifical Council "Cor Unum", and representative of His Holiness Pope John-Paul II.

Nguyen Chinh, acting head of the State Commission for Religious Affairs, took part in the reception.

Chairman Do Muoi welcomed the Vietnam visit of the Vatican delegation and expressed his wish that the relations between the Holy See and the Vietnamese

Government will be better and better in comformity with the Vietnamese government's policy which calls for great unity among all ethnic and religious groups in Vietnam and which advocates co-existence in peace and friendship with all nations and peoples in the world.

For his part, Cardinal Roger Etcheragay spoke highly of the country and people of Vietnam and of President Ho Chi Minh.

Earlier, the delegation of the Holy See had an official exchange of views with the State Commission for Religious Affairs of Vietnam.

Belgian Guests Study Business Opportunities

BK1611133790 Hanoi Domestic Service in Vietnamese 0015 GMT 15 Nov 90

[Summary] Recently, a delegation of Belgian business people paid a working visit to Vietnam to study ways to promote economic cooperation. On this occasion, our radio correspondent interviewed the head of the Belgian trade delegation.

Responding to a question about the purposes of the Vietnam visit, the Belgian guest said the delegation wanted to survey Vietnam's potential so it could work out a cooperation program in industial production, goods exchange, and investment. For example, Belgian business sectors may invest in brewery, medical equipment, textile, ship-building, glassware, sugar, tea, coffee, and vegetable oil industries. They may also help Vietnam export its products to Belgium.

Commenting on the U.S. trade embargo on Vietnam, he said "The U.S. move has had no effect on foreign investment in Vietnam." As examples, he cited the fact that Belgium, Sweden, India, and Canada have invested in oil exploration and exploitation and that as many as 190 foreign corporations operate in Vietnam. He stressed that through the trade embargo, the United States hoped to discourage its Western European trade partners from investing in Vietnam. "The time has come, however, for Western European countries to act independently of the United States."

Asked about his impressions of Vietnam, he said that "in terms of material wealth, the quality of life in Vietnam is not as good as that in Western countries, yet the development of many building projects is in full swing in rural areas. Many roads and bridges are also being repaired."

In his opinion, the quality of infrastructure is still low and machinery and equipment very old. "To guarantee high performance, the machinery and equipment must be replaced, and roads must be repaired or rebuilt," he added.

"Since the Vietnamese people are very intelligent and capable, Vietnam has every ingredient for attaining the status of countries such as Thailand, Malaysia, or South Korea," he concluded.

Australian, German Businessmen Look Into Market

BK1711100390 Hanoi VNA in English 0714 GMT 17 Nov 90

[Text] Hanoi VNA November 17—"Vietnam is a difficult and challenging market, but it also has big potentials for Australian businessmen who are dynamic economists".

This comment comes from John W. Steward, director of Byrne Group and general director of Byrne Corporate Service Ltd. in Hong Kong, in an interivew with the TUOI TRE (YOUTH) weekly in Ho Chi Minh City during his recent Vietnam visit together with a team of Australian businessmen.

John W. Steward said that although Vietnam is not a market where one can reap immediate profits it holds big opportunities due to its population of 66 million, abundant natural resources, and also the wide external relations of its expatriates, including those who now live in Australia. In the region, Hong Kong, with its financial communications and transport strengths can do a lot to help Vietnam's open-door economic policy.

"I believe opportunities are increasing for high-level cooperation between Vietnam and Australia," he added.

For his part, Hans Bernd Giesler, secretary general of the East Asian Confederation (OAV) of Germany, said that signs of recovery in the Vietnamese economy are evident and that "the Vietnamese know how to adapt in a short time to the changing situation in business opportunities".

Made up of 15 corporations and financial groups such as the Hoechst Pharmaceutical Institute (AC), West Ib Bank... the confederation has been for more than a year now, through its office in Hanoi, exploring possibilities to cooperate with Vietnam in a wide range of domains such as pharmaceuticals, telecommunications and agricultural produce.

Of late, the confederation organized in Ho Chi Minh City a workshop to discuss with Vietnamese importers and exporters opportunities for bilateral cooperation in export and import.

Mr. Giesler said: "In addition to accelerating opportunities for trade exchanges between the two countries, we are looking into Vietnam's economic capabilities on behalf of the Institute of Economics of the Federal Republic of Germany. Our government is considering resumption of economic aid to Vietnam".

The presence of 60,000 German-speaking people in Vietnam is favourable condition to German businessmen, he said. Nevertheless, like many other foreign businessmen he was candidly critical of Vietnam's bureaucracy and red tape.

Steffen Gunther, representative of OAV in Hanoi, said that once having opened an office in Vietnam, every foreign company wishes to establish long-term business relations with their Vietnamese partners.

FRG Economic Minister, Delegation Visit

AU2011110290 Frankfurt/Main FRANKFURTER ALLGEMEINE in German 19 Nov 90 p 16

[Klaus Peter Krause report: "Vietnam: 'We Are for Competition and Free Prices'"]

[Excerpts] Ho-Chi-Minh City/Hanoi, November—"We have good natural resources, cheap labor, and raw materials. You have money and technology." The man who says this is the deputy chairman of the State Committee for Cooperation and Investment in Ho-Chi-Minh City, Nguyen Van Ich. His interlocutors, to whom he is addressing these words, are the members of a 16-person economic delegation from Baden-Wuerttemberg, headed by the land's Economics Minister Hermann Schaufler. As Nguyen continues to explain, Vietnam is very interested in cooperation with the EC countries and, in particular, with Germany. Already existing cooperation is not very satisfactory at all, the possibilities have not been exploited by far. He refers to the recent German unity: "Germany becomes stronger through unification, and we hope that this will also intensify cooperation with us." [passage omitted]

Bau Ngoc Xuan [chairman of the aforementioned committee] says "We are for competition. We are pursuing a policy of opening up toward other countries. We use all existing forms of cooperation. Foreigners are now permitted to transact business in Vietnam. We are also far more open in the fields where we had monopolies in the past." The exchange rate is also to be liberalized—this would be only a formal liberalization because the official exchange rate of the dong toward the dollar is always immediately adjusted to the black market value. [passage omitted]

Vietnam is one of the 10 poorest countries in the world. The population, which now amounts to about 65 million, grows at a rate of more than two percent per year. Unemployment is high. The number of unemployed is said to be 6 million, the number of working people was about 29 million in 1988.

The army of unemployed is increased even more by Vietnamese who have so far worked abroad and are now being sent back to Vietnam. Their number is estimated at about 200,000. Repatriation is already underway, but part of it will take until 1995. Major numbers of such Vietnamese are in the Soviet Union, in the former GDR, in Bulgaria, in the CSFR, in Thailand, in Iraq, and, as "boat people" in Hong Kong. The fact that they are no longer wanted in these countries is a consequence of the political upheavals in the former East bloc states, of German unification, and of the Iraqi attack on Kuwait.

Foreign capital and investments of foreign companies are to provide more work and to stimulate the economy. The government has compiled a "list of priority projects for 1990 and 1991." It has 32 pages and lists wishes for about 200 projects, from a tea plantation to shoe production to a car factory and an oil refinery. Bau complains that foreign countries are still investing too little in Vietnam. "I ask you to understand Vietnam. We need technology transfer, but not theoretical ones on paper but those in the form of investments and actual production here in the country." The German economic delegation points out: "The companies make investments only if these investments are protected by law."

Bau says: "We certainly want to protect property. The transfer of profit will also be possible. We have certainly understood this." Vietnam is willing to conclude bilateral agreements on guarantees for property, as well as dual taxation agreements. Since January 1988 Vietnam has had a foreign investment law and since September 1988 the corresponding export regulations. Since January 1989 representations of foreign companies have been permitted. Direct investments have already taken place, even though to a comparably moderate degree. According to Vietnam, in 1989 direct investments amounted to $600 million. This year they are said to amount to $1.2 billion.

Hard Currency to Moscow

Vietnam is severely affected by the fact that in the future the economic aid from the Soviet Union will not come in its usual amount. Moscow has already cut it back drastically. In addition, so far an exchange rate that was favorable for Vietnam has been fixed for trade with the Soviet Union, the country's most important economic partner in the past. However, as of January 1991 Vietnam has to pay for Soviet goods in hard currency. In addition, Vietnam's second most important economic partner, the former GDR, is out of the game. Furthermore, Vietnam has high debts with the Soviet Union. According to official information from Hanoi, the debts amount to 15 billion rubles. This is almost as much in dollars. In addition, Vietnam owes $140 million to the IMF. [passage omitted]

EEC President Holds News Conference in Hanoi

BK1311154290 Hanoi VNA in English 1459 GMT 13 Nov 90

[Text] Hanoi VNA Nov. 13—As a country endowed with important factors in many respects in the region, Vietnam may contribute actively to enhancing the cooperative relations between Vietnam and the European Economic Community in the interests of both sides.

Thus declared Maurizio Teucci, ambassador of Italy currently president of EEC, at a press conference held here today by the ambassadors of EEC member countries here, namely France, the United Kingdom of Great Britain and Northern Ireland, the Federal Republic of Germany, and Belgium, on the occasion of the establishmemt of diplomatic relations between Vietnam and the EEC.

The Italian ambassador also informed the audience that all the 12 member countries of the EEC have already established their bilateral diplomatic relations with Vietnam.

International Seminar on Packages Held 8-9 Nov

BK1211075490 Hanoi VNA in English 0711 GMT 12 Nov 90

[Text] Hanoi VNA Nov. 12—An international seminar on market and modern techniques of packages was jointly held in Ho Chi Minh City on November 8-9 by the Centre for Development of Package Techniques under the Saigon Export Package Company and the Asia Pacific Company ICI [expansion unknown] of Germany.

Foreign participants included representatives of 13 companies from Britain, Germany, Australia and Switzerland.

The two-day seminar heard 15 reports, and discussed issues relating to the role of packages, the modern package market in the region and in the world, the selection of technology and materials for packages, and the introduction of new technology and equipment for making packages.

Worldwide Express Post Service Joint Venture

BK1811104490 Hanoi VNA in English 0710 GMT 18 Nov 90

[Text] Hanoi VNA November 18—The International Communication Service and Development Company (ICOMSED) of the Ho Chi Minh City Post Office has entered into joint venture in express service with the D.H.L. Worldwide Express, a private company, to convey commercial and banking documents and samples of goods of trading corporations in Ho Chi Minh City. D.H.L. has some 1500 regular customers. The express service increases the volume of goods transportation by 5-10 percent per month and reduces the time from 72 hours to 24 hours.

D.H.L. plans to open new air links between Vietnam and different places in the world in service of foreign businessmen doing business in Vietnam. D.H.L also helps Vietnam in personnel training and equipment.

Private Export Company Earns $8 Million in 1990

BK1611075890 Hanoi VNA in English 0701 GMT 16 Nov 90

[Text] Hanoi VNA Nov. 16—By diversifying its businesses, COSEVINA, a private export and service company in Ho Chi Minh City catering for the transfer of remittances from Vietnamese expatriates earned a revenue of 8 million U.S. dollars in the first half of 1990.

Its main business consists in arranging the transfer of the remittances of Vietnamese in the United States, France, Australia and Canada through the Vietnamese foreign trade bank and 15 companies of Vietnamese expatriates. In the first half of this year, COSEVINA handled two million U.S. dollars out of the total of 10 millions sent home by overseas Vietnamese.

Recently COSEVINA signed 40 contracts to purchase goods from Japan, Taiwan, Hong Kong and France and sell them in the city for hard currencies. Whenever a consignment of goods arrives, COSEVINA would sent catalogues to the 15 concerned companies abroad to help overseas Vietnamese buy gifts and send them through COSEVINA to their relatives in Vietnam. As a result, presents have been delivered to thousands of families in the city and neighbouring provinces on Christmas and New Year occasions. Also through COSEVINA, presents [words indistinct] Vietnam are sent abroad. In the first seven months of 1990, more than one million parcels of gifts were entrusted to the company which was paid 24,000 dollars and 59 million dong for its services.

COSEVINA has expanded its operations to restaurant and hotel keeping and tourism. In the first six months of this year, the two tourist boats—COSEVINA 1 and COSEVINA 2 plying the local rivers earned the company 516 million dong. Another 101,000 dollars and 1.6 billion dong came from its restaurants and hotels.

COSEVINA, in coperation with a Swedish company, has installed a processing line for fruit juice paper boxes with a capacity of 16,000 tons a year. It has also entered into joint venture with Camus of France to produce Camus Brandy in the city.

By the end of 1990 COSEVINA is expected to net 26 million dollars in revenues, 17 million of which from on-the-spot-services.

Journal Article Views Vietnamese Labor Abroad

BK1611061790 Hanoi TAP CHI CONG SAN in Vietnamese Sept 90 pp 44-48

[Article by Bui Ngoc Thanh: "Labor Cooperation With Foreign Countries: Its Problems and Solutions"]

[Text] During 1980-81, the Vietnamese Government signed several labor cooperation agreements with the Soviet Union, the GDR, Bulgaria, and Czechoslovakia. Vietnam has sent 240,000 workers to these countries and they worked effectively there. However, since the fourth quarter of 1989, the situations in these countries have changed swiftly and in a complicated manner, thus directly affecting the Vietnamese workers.

We understand that these labor cooperation agreements were reached at the governmental level. As a result, legal issues pertaining to Vietnamese workers abroad were resolved at the state level. In this context, foreign enterprises and governments that signed contracts with Vietnam are responsible for the Vietnamese workers in their countries. At present, however, employment of workers by the state in some countries is on the decrease.

In implementing restructuring and reform, many enterprises have been shifting from state ownership to collective or individual ownership. As a result, the relationship at these enterprises has become the prevalent one between enterprise owners and workers.

In the past, the state distributed foreign workers to enterprises and paid all the hiring expenses. However, due to the elimination of state subsidies and the implementation of present business accounting, enterprises themselves are responsible for paying foreign workers. This change has prompted many enterprises to review their policy on hiring foreign workers and tended to reduce their numbers, especially the weak workers. Moreover, many enterprises were seriously affected by modern market mechanisms, especially in competing with merchandise from Western countries which have better quality, thus forcing them to reduce their production output or to finally shut down their businesses.

This situation has led to various social issues in these countries, among them the unemployment problem and shortage of jobs for workers (both at home in foreign countries). In the GDR, for instance, 300 enterprises had to lay off 18,000 foreign workers in the first half of this year.

Vietnam now has more than 80,000 workers in the Soviet Union, 60,000 in the GDR, 24,000 in Bulgaria, and 14,000 in the CSFR. These workers have faced numerous difficulties in the "current historic stage." About 10-25 percent of them earned a small income due to the shortage of jobs. Moreover, they also faced difficulties in coping with the high prices of merchandise in finding the goods they needed and in sending home items their families wanted. These are the most difficult problems for Vietnamese workers as well as for the Vietnamese labor management agencies.

Moreover, Vietnamese workers also faced difficulties in their daily life and activities. In many places, social security for them was not ensured, thus disputes between them and the local people were prevalent. In some countries, Vietnamese workers were ransacked, robbed, or even beaten by the local culprits who were released on a temporary basis. Worse still was that conflicts occurred even among the Vietnamese workers themselves while responsible management agencies could not resolve them satisfactorily.

As of June this year, about 180,000 [figures as published] Vietnamese workers have still worked in the above four countries (more than 60,000 of them completed their work contracts and returned home). This huge army of workers is composed mostly of competent young men working in various regions of these nations. In Czechoslovakia, for instance, Vietnamese workers were assigned to work at 260 enterprises. In the USSR they were sent to 900 enterprises, some working as far away as 10,000 kms from Moscow. Under these conditions, responsible Vietnamese labor management agencies, with few personnel and poor facilities, could not quickly get in touch with each individual and unit to resolve their daily problems. Moreover, most of these problems are not labor-related, but are social issues related to consular affairs. It is noteworthy that labor activities exist only eight hours a day while social ones last for 16 hours. Meanwhile, the responsible Vietnamese labor management agencies lack competent personnel and officials to handle issues related to Vietnamese workers which include conflicts, squabbles, trading, divorce, marriage, residency, travel, and so forth.

As a result, issues of Vietnamese workers abroad involve many aspects: Some concern agreements signed between two governments, others concern the relationship between workers and the enterprises that hired them, their place of residency, and the Vietnamese labor management mechanism. What kind of measures should we take to resolve these problems?

Since late 1989, based on this real state of affairs, our government has actively advocated negotiations with the governments of the countries concerned for an agreement that no additional Vietnamese laborers will be sent to these countries in 1990 even if they still need large numbers of our laborers. Realities show that our government's position is correct. We have also negotiated actively with various countries for the signing of protocols on revising or replenishing the agreements that have already been signed with the aim of protecting the interests of Vietnamese laborers who choose to remain in these countries to continue their work or to go home.

The protocols signed with the representatives of the GDR and Bulgarian Governments respectively on 13 and 23 May 1990 by the minister of labor, war invalids, and social welfare on behalf of our government, as well as the protocol signed between Vietnam and the Soviet Union in July 1990 (already made public through the mass media), clarify three major issues:

1. Continue affirming the legal value of various intergovernmental agreements on labor cooperation signed during the 1980-81 period.
2. Ensure the duration of work and the economic interests of Vietnamese laborers as specified in the state documents and contracts.
3. Ensure labor safety and social security for Vietnamese laborers throughout the time they work and reside in the countries concerned.

For instance, regarding the GDR, the protocol affirms: the duration of work for Vietnamese laborers at various enterprises in this country is still five years. Vietnamese laborers must be given the same treatment as their GDR counterparts in labor law and social insurance. According to the original agreement, Vietnamese laborers are not allowed to bring their families along when working in the GDR. Now, according to the protocol, this point has been abrogated.

If, for any irresistible reasons, an enterprise in the GDR is compelled to lay off Vietnamese laborers before the expiration of the labor contract, that enterprise must pay them 70 percent of their actual wage for at least three months; furnish lodging for them at its hostel until their repatriation; assist them in packing and sending their personal belongings home; pay for their air fares and arrange for their trips home; and give each of them a certain sum of money as severance pay.

The protocols signed with Bulgaria and the Soviet Union also carry similar points. Regarding the Soviet Union, the protocol also touches on the need to move Vietnamese laborers working in the areas near Chernobyl (site of the atomic disaster) to other safe localities in 1990. The two sides also reached identity of views on the need to enforce measures to effectively resolve the disorderly and tense situation at the (Sheremetyevo) II international airport in Moscow. The authorized agencies of the two sides that signed the agreement will coordinate closely with other competent organs concerned in carrying out all the necessary tasks to ensure safety for the lives and legitimate, rational property of Vietnamese citizens during the time they reside and work in the Soviet Union, as well as when they depart this country through the (Sheremetyevo) airport.

Basically, these protocols have met the needs of our side. However, we must keep a close watch on the actual situation, which is still subject to complex changes, in order to promptly deal with various specific problems. Meanwhile, we must make an extensive study of and renovate our activities in this domain to satisfy the need for employment, thereby helping to carry out various socioeconomic programs.

What are the prospects of Vietnam's labor cooperation with foreign countries after 1990? Some people expressed their pessimism. In reality, however, we still can exploit and develop our labor potential abroad. Most of our workers are competent and diligent; many of them can quickly absorb new industrial technological innovations, thus their products meet the consumers' taste.

In the next decade we still cannot provide jobs for foreign workers (except for specialists), but we can send our workers to socialist and other countries in the full sense of "exporting labor," a term we were reluctant to use a few years ago. To achieve a high result in exporting labor, we must renovate and accelerate this task vigorously.

First of all, we must change our objective and concept. The labor force, under the capitalist system, is a special kind of means to produce goods for sale at prices much higher than the value of labor rendered by the workers. Since laborer's work is related to the labor force, in the new stage—especially in socialist countries—there emerged "an additional value" of workers, thus involving human value and dignity. As a result, in exporting workers, we must ensure that while achieving the economic result, we can still uphold the human value and dignity for our workers. By the same token, the workers and their families must also realize this new concept, that is to work in a foreign country we must work more diligently, endure hardship, and render our utmost efforts to achieve our goal, especially in the competitive mechanism. We must eliminate the concept of "going overseas" or "going abroad" to "amass wealth" easily.

It is necessary to basically change the state management in labor. Similar to other domains, state leadership and management are essential for labor activities and their implementation needs a concrete organization by economic units.

On the state side, some activities are put under the jurisdiction of the government while others are handled by the functional agencies. The government formulates major policies and orientations, such as permission to export labor and to which market we should export our labor. The government must also examine and promulgate regulations and statutes on exporting labor and grant permission for economic units to directly carry out this task in accordance with the state regulations. The government should assign functional agencies the task of resolving related large-scale issues, such as transportation of goods and transfer of money to Vietnam, use of money earned from exporting labor to pay for state debts, and so forth. Responsible ministries and functional agencies entrusted by the government with the task of exporting labor must formulate major policies, orientations, measures, and state regulations and statutes for submission to the government, while organizing implementation after receiving approval from the government. Ministries charged with this task are also responsible for signing agreements on exporting labor, determining forms and management mechanism for exporting labor, formulating lines and policies, and regularly exerting control over and drawing on lessons from economic units. Meanwhile, economic establishments must abide by the state regulations and statutes to monitor the labor market, sign contracts for exporting labor, and carry out this task in accordance with the economic accounting system on the basis of self-responsibility. These economic establishments must recruit workers and provide them with assistance throughout their work and stay in foreign countries. These establishments must also satisfactorily implement lines and policies on workers before their departure, during their working period, and after completing their work contracts and returning home. They must also manage the collection and control of foreign currencies obtained from exporting labor in order to fulfill the obligation toward the state in this regard.

By basically carrying out renovation in terms of concept, objective, and managerial work along the line of decentralization, favorable conditions will be created for us to expand various forms of exporting labor with the aim of achieving high economic results in the present bustling world labor market.

Due to difficulties concerning material and technical bases, in the next five to 10 years we still cannot accept work under a "package" contract system that is based on the use of our labor, materials, and machinery. However, there can also be many diversified forms of working under contracts. We can apply the form of working under a contract between two economic organizations of two countries, depending on the actual production situation in each locality. The enterprise in the country hiring the laborers must go by the volume of its work to prepare raw and other materials, living quarters, and travel facilities while the enterprise in our country is only responsible for the supply of laborers. To apply this form, we must be extremely careful when signing documents concerning production conditions. Our enterprise must assume responsibility for the management of the number of laborers it has exported.

We can apply the form of piece-work contract on a voluntary basis, such as sawing timber or building vehicle carriages. To ensure enough work for an appropriate period of time, it is certain that we must look for contracts with a large volume of work. Like the "package" contract system, the hiring party must be fully responsible for regular employment while our party must ensure that products are up to quality standards.

We can also apply the form of contract and alternate contract [xen gheps]. Corporations exporting labor can work not only on a section of a project or an element of a product, but also on many sections of a project or even on an entire project such as making a business suit. We can also send our people to work side by side with the workers of a host country as we have been doing in some East European countries.

To help our enterprises select customers and satisfactorily organize the export of labor in accordance with the new forms, we can set up a general corporation or central corporation to serve as the center for signing contracts on behalf of those units that are not eligible for this task. However, the enterprises that export labor still must assume responsibility for the selection, recruitment, and management of our laborers in various foreign countries.

When the export of labor has been renovated, our economic units will be able to sign labor contracts directly with their counterparts in foreign countries and the settlement of accounts between them will be made under many diversified forms. Therefore, it is necessary to improve work related to the return, employment, and payment of workers. It would be quite simple if the hiring party paid us in hard foreign currencies. However, if they paid us in their own currencies, we would only accept part of these currencies to cover expenses involving our workers' daily activities, while the remainder should be trade money to be available for transfer to our country. All amounts of money related to the export of labor must be guaranteed with materials and goods, paid in full and on schedule, and settled in an honest manner with the laborers concerned. To ensure the settlement of accounts between the two states (specifically between the custom offices, foreign trade ministries, banks of foreign trade, and finance agencies of the two countries), protocol must be signed to specifically agree on the transfer of foreign currencies, goods, and materials to the country. This task cannot be carried out by those basic economic units that have directly signed the contracts.

After nearly 10 years of experimenting, international labor cooperation is still new to us. Various existing systems and policies in this domain remain uniformly simple or, in other words, no longer suitable because they have been formulated during the period of state subsidy. We are intensively establishing a system of uniformly new policies in conformity with the new viewpoints, new objectives, and new forms of organization. The new systems and policies must create favorable conditions for work related to economic accounting while encouraging the renovation and development of the export of labor in the right direction with ever higher results. We can believe that in the period after 1990, this domain of activity will not be in a deadlock but will open many new prospects.

Meeting Marks Fatherland Front Anniversary

BK1711161290 Hanoi VNA in English 1522 GMT 17 Nov 90

[Text] Hanoi VNA Nov. 17—A grand meeting was held here today to mark the 60th founding anniversary of the Vietnam United National Front (Nov.17), predecessor of the present Vietnam Fatherland Front.

The meeting, jointly sponsored by the Vietnam Fatherland Front (VFF) Central Committee and the Hanoi Fatherland Front Committee, was attended by more than 1,000 delegates representing all stata of the population, nationalities, religions and the armed forces. It was also attended by many members of the diplomatic corps and representatives of various international organizations in Hanoi.

Present on the presidium of the meeting were Nguyen Van Linh, general secretary of the Communist Party of Vietnam [CPV] Central Committee; Pham Van Dong, advisor to the CPV Central Committee; Vo Chi Cong, State Council President; Do Muoi, chairman of the Council of Ministers; Nguyen Huu Tho, president of the Presidium of the VFF Central Committee; and Le Quang Dao, chairman of the National Assembly; and many other high-ranking officials.

Addressing the meeting, President Nguyen Huu Tho highlighted the worthy contributions made by the United National Front over the past 60 years to the struggle for national salvation in the past as well as to the cause of national construction and defence at present.

He said among other things that a broad and strong United National Front was an indispensable condition for ensuring the fulfilment of all tasks of the transitional period of socialist construction and of the struggle for national defence.

"The front organization is a force to protect the common interests of the nation and the whole society as well as the legal benefits of all social strata and all citizens", he affirmed.

Party General Secretary Nguyen Van Linh, on behalf of the Communist Party Central Committee, expressed his satisfaction to see that the party and all other members of the front are joining hands in forging and cultivating national unity.

Many mass meetings were also held today in Ho Chi Minh City, the Vung Tau-Con Dao special zone, the provinces of Lam Dong, Nghe Tinh and Quang Binh, and the port city of Hai Phong by the local Fatherland Front committees in celebration of the front's anniversary.

Do Muoi Addresses Teachers' Meeting in Hanoi

BK2011071390 Hanoi Domestic Service in Vietnamese 1100 GMT 19 Nov 90

["Text" of address by Council of Ministers Chairman Do Muoi to a cordial get-together with outstanding teachers in Hanoi on the occasion of Vietnamese Teachers' Day; date not given—read by announcer]

[Text] On the occasion of the Vietnamese Teachers' Day, I am very happy to meet all of you who represent those teachers recently awarded the title People's Teacher and Outstanding Teacher by the Council of State and who are the symbols of various sectors and localities throughout the country. I am deeply moved to learn of the many veteran teachers who, though already retired, continue to make their contributions to the education and training of the younger generation.

On behalf of the Council of Ministers, I warmly welcome and commend you, the people's teachers and outstanding teachers, for your meritorious contributions to building the education undertaking and through you, comrades, I would like to extend my commendations to all teachers and other educational workers throughout the country for having overcome countless difficulties and deprivations in trying to maintain academic activities.

Our country's education undertaking continues to be maintained and developed in some aspects thanks chiefly to the meritorious deeds of the contingent of teachers and to the great contributions of the people. The conferment of the title "teachers" this time is an ascertainment by the party and the state of the position of teachers and a recognition of the meritorious deeds of the contingent of cadres and teachers toward the education and training of the younger generation.

Although our country is still beset with numerous difficulties, the education and training of the younger generation will certainly be consolidated and developed and the educational quality will gradually be improved in order to effectively serve various socioeconomic objectives, thus creating conditions for raising the people's intellectual standard and for building a skilled labor force capable of achieving economic and cultural development and thereby achieving quicker progress for our country.

In the immediate future, the educational and training sector must satisfactorily carry out the following urgent tasks:

1. Continue to effectively carry out educational adjustment and reform in line with the party renovative line, strive to popularize elementary education, step up the eradication of illiteracy along the lines of the literate teaching the illiterate, and effectively use the state fund to eradicate illiteracy among the people of the 15-35 age group.

2. Adopt appropriate measures and forms to coordinate education and training activities at general high schools and vocational middle schools, and create conditions for further broadening the scope of technical training for workers.

3. Improve educational quality at the college level. While broadening the training through various appropriate forms, efforts must be made to promote specialization activities. It is necessary to adjust the organizational system of universities and colleges in a more rational fashion, and to more satisfactorily assign and divide the duties of teachers in order to develop the teaching capabilities of the contingent of teachers.

The Ministry of Education and Training, schools, and institutes must concern itself with training the contingent of teachers; trying to improve the knowledge of teachers in all respects; and developing the contingent of good teachers in compliance with Uncle Ho's teaching: "Despite difficulties, we must continue to emulate in scoring good academic and scholastic achievements."

In educational management, efforts must be made to satisfactorily apply the system of combining the investment from the state with that from the people in order to generate an integrated strength in the building and development of our country's educational undertaking. In the coming period, we must satisfactorily organize more privately-run and semipublic schools of various grades in various localities, for they are a decisive force in ensuring the educational quality and the contingent of teachers. On this occasion I would like to call on the local administrations at all levels and various sectors to pay more attention to improving the welfare of school teachers; correctly comply with Directive No. 270/CT on satisfactorily solving various benefit policies for teachers with the emphasis placed on paying wages and seniority service allowances on schedule and on giving appropriate commendations and awards to the contingent of good teachers; and create conditions for various teachers to develop their talents and contribute to building and developing the cause of educating and training the younger generation.

On the occasion of the Vietnamese Teachers' Day and amid the joyful and elated atmosphere of this cordial get-together, I hope that you, the People's Teachers and Outstanding Teachers, as well as the contingent of teachers nationwide, will continue to uphold the fine tradition of the Vietnamese teachers in uniting together to overcome difficulties, trying to forge their qualities and ethics, improving their professional knowledge, and resolving to implement with good quality and results their task of educating and training the younger generation, thus duly contributing to implementing the human strategy and other socioeconomic targets of our party and state.

Once again I wish you, the people's teachers and the outstanding teachers, still-greater achievements in the cause of education and training and better fulfillment of your lofty duty as socialist school teachers.

Do Muoi Sends Letter to Agricultural Sector

BK1611093190 Hanoi Domestic Service in Vietnamese 2300 GMT 15 Nov 90

[Text] On the occasion of the 45th founding anniversary of the Ministry of Agriculture—now the Ministry of Agriculture and Food Industry—Council of Ministers Chairman Do Muoi sent a letter to cadres, workers, and employees of the agricultural sector.

After praising the achievements recorded by the agricultural sector over the past 45 years, Chairman Do Muoi's letter pointed out: In the coming years, agricultural production in our country will remain the foremost front in the socioeconomic development strategy. The agricultural sector must strive to attain the following: steadily resolve the grain and foodstuff problem to meet the people's demands and establish grain reserves; expeditiously build a number of key production sectors to quickly increase exports and capital accumulation for the national economy; satisfy workers' basic demands for employment; and taking an important step in strengthening the material and technical bases of agriculture.

To this end, as our country still faces many great difficulties; the average per capita land distribution remains low, especially in the populous delta regions; the material and technical bases are still poor and deficient; the threats of natural calamities continue to exist; and capital and supplies necessary for production are severely limited. The agricultural sector should exploit all possibilities in labor, land, trades, and capital—especially in capital belonging to thepeople—to invest in production development in order to quickly increase the production of agricultural commodities. It should strongly shift investment into the processing industry to meet consumer demands at home and abroad, in both quantity and quality, and to enhance efficiency in agricultural production and trading. It should increase research and application of scientific and technological advances in production and processing and broaden cooperation, joint ventures, and import-export activities to obtain capital and technology from foreign countries. It should continue renovating management policies and mechanisms to create favorable conditions for encouraging various economic components to actively participate in developing agricultural production, improving the material and spiritual life of agricultural workers, raising the people's educational level, and building the new socialist countryside.

Directive Urges Increased Cotton Growing

BK1711155790 Hanoi Domestic Service in Vietnamese 2300 GMT 16 Nov 90

[Council of Ministers' "recent" directive to increase cotton growing in support of the textile industry]

[Text] The directive says: Cotton is an essential raw material for the textile industry and there is still nothing that can replace cotton completely. From 1991 onward, there will be difficulties in cotton imports. Based on unified suggestions by the People's Committees of Dong Nai, Long An, Thuan Hai, Khanh Hoa, and Phu Yen Provinces and by the Ministries of Agriculture and Food Industry, Light Industry, Water Conservancy, and Finance, and by the State Planning Commission, the State Price Commission, and the Vietnam State Bank at a meeting on 16 October 1990, the chairman of the Council of Ministers hereby decides to vigorously develop cotton growing in such a way that within a short period of time we can ensure an adequate supply of cotton for the textile industry.

In the immediate future, the following urgent actions should be taken:

—The Ministry of Agriculture and Food Industry, relevant sectors at the central level, and the people's committees in various provinces must provide guidance and create conditions for peasants at various state-run cotton growing farms to prepare sufficient cotton seeds, fertilizer, and land to plant at least 300,000 hectares of cotton in 1991.

—The Ministry of Agriculture and Food Industry must continue to conduct basic surveys for increased cotton growing in the entire country and to devise a 1991-95 plan for increased cotton growing as part of a general plan that advocates ensuring that at least 60-70 percent of the raw cotton requirements for the textile industry are fulfilled by 1995.

General Nguyen Quyet Visits Army Depot Complex

BK1411050190 Hanoi Domestic Service in Vietnamese 1400 GMT 12 Nov 90

[Text] General Nguyen Quyet, director of the General Political Department, recently paid a visit to Depot Complex K-89 of the Rear Service Department of the 3rd Military Region. Major General Ngo Tai, director of the department; and Nguyen Kim Vi and Nguyen Van Chuc, commander and deputy commander of the depot complex, respectively, briefed General Nguyen Quyet on the situation of the warehouses and the production work and living conditions of workers at the complex.

For 10 years now, absolute security has been maintained at the complex despite the fact that local public order and security have at times developed in a complicated manner. This was due to the high sense of responsibility in all the cadres, combatants, and defense workers and to the wholehearted assistance and protection of the local party committee, administration, and people.

Along with its reception and maintenance duties, K-89 is also responsible for providing supplies for 40-50 units, and it has carried out its tasks carefully and devotedly, even when it has to work on holidays or during off-hours. The depot complex has also arranged for its workers to grow rice and fruit trees and raise cattle, generating an annual income of nearly 10 million dong. Thanks to the results of its production work, the complex recently built a mess hall and a bathhouse and purchased two television sets, some perodicals, radio sets, and sporting equipment. It has also given construction materials to a number of cadres, combatants, workers, and employees to help them build their homes. Over the past three years, the unit has supplied 20 workers with 1,500 bricks, four metric tons of coal, and 30 bamboos each. Unit members facing difficulties have also received material assistance.

Addressing the cadres and combatants of K-89, General Nguyen Quyet praised their high sense of responsibility, organization, and discipline and their good relations with the people. He lauded the unit's sense of self-reliance and active efforts in production and making life less difficult for its workers, thereby creating favorable conditions for them to fulfill their duties and build happier families.

Task Force Set Up To Counter Army Corruption

BK1311141990 Hanoi Domestic Service in Vietnamese 2330 GMT 11 Nov 90

[Text] To implement the directives of the Council of Ministers and of the Ministry of National Defense on countercorruption and smuggling, most general departments, military regions, regional corps, military corps, and army branches have so far established special task forces to counter corruption and smuggling.

On 8 November in Ho Chi Minh City, a special commission of the Ministry of National Defense held a semi-conclusive meeting of the second phase of the directives' implementation for task forces in southern army forces. Comrades in charge of task forces in military regions, regional corps, military corps, army branches, and army units from Thuan Hai Province inward attended the meeting. The meeting agreed on the evaluation that in the past the party committees and unit commanders in the southern area had quickly consolidated the structure of the task force and initially achieved results which were worth praising.

The army units explained to cadres, soldiers, and staff the directives on countercorruption and smuggling from the Council of Ministers and the Ministry of National Defense and the directive of the chief of General Staff Department on banning the use of army vehicles to transport civilian passengers.

Generally speaking, in the last two months, there has been an apparent change in army units. Reported violations of the directives have been reduced greatly compared with before. Through investigation, more than 80 percent of army vehicles conformed well to the regulations. Most of the storage facilities inspected did not keep illegal goods and did not help smugglers illegally store goods.

In the two focus areas, which were Region Seven and Region Nine, the Special Commission of the Ministry of National Defense has clearly instructed the regions to cooperate with localities in stopping the smuggling.

Region Seven has put up 11 army control teams to inspect 520 army vehicles and 39 storage facilities. The teams found out that nearly 40 percent of army vehicles were operated by civilians and nearly three percent were using counterfeited army plates. During that time, Region Seven decided to prosecute five cases of corruption, which caused property lost to the Army and retrieved nearly 35 million dong, 400 cartoons of foreign cigarettes and hundreds of army uniforms.

Region Nine has observed and inspected some army storage facilities, vehicles, and boats carrying red plates. The region has dealt with nearly 10 cases of smugglers using vehicles and boats disguised as army vehicles and boats in which six cases were prosecuted.

Quang Tri Veterans Urge Anticorruption Steps

BK1311100190 Hanoi Domestic Service in Vietnamese 2330 GMT 12 Nov 90

[Article by Trong Nghia in "recent" issue of QUAN DOI NHAN DAN]

[Text] The recent plenum of the Executive Committee of the War Veterans Association of Quang Tri Province has sent a petition to the Standing Committees of the provincial Party Committee, People's Council, People's Committee, and Fatherland Front Committee suggesting measures to combat corruption. The action was taken in conformity with the Resolution of the Ninth Party Central Committee Plenum and Council of Ministers Decision 240 on struggling against corruption, and also in compliance with the general guidelines set by the Provisional Central Executive Committee of the Vietnam War Veterans Association.

For its part, the local war veterans association undertook to carry out propaganda and educational work and to motivate its members throughout the province. The association took these actions to preserve their dignity and integrity, by notviolating state law, exemplarily and scrupulously abiding by party and government policies and positions, and serving as a reliable supporter of the party, the administration, and the people in the struggle against corruption.

As Comrade Nguyen Van Linh put it in his address at the ceremony marking Uncle Ho's birth centenary: We must continually carry out the struggle against negativism, especially corruption, prerogative and privileges, by emphasizing the right problems and taking appropriate measures. The leadership should broadly educate the people so that they see the danger of corruption. It should strongly develop the people's right to achievement, in strict accordance with the spirit of the watchword "consider the people as the roots," thereby enabling the people to serve as the leadership's eyes and ears, and to supervise, inspect, discover, and denounce corrupt elements. No one has the right to hinder and persecute people who help expose and denounce wrongdoings. Those who take revenge on and persecute whistleblowers must be promptly dealt with. Responsible and leadership organs must set aside time to listen to the people's suggestions and petitions. Responsible organs must select and screen their cadres carefully so that these cadres may be reliable, impartial, and honest enough to be used as instruments in the struggle against corruption. A mass movement involving all people must be launched to combat corruption so that no corrupt person escapes punishment.

Quang Tri Province should concentrate its efforts on resolutely carrying out the anticorruption struggle against those units and individuals that have been exposed and denounced by the people. These units and individuals must be definitely and openly dealt with so that the people may learn about their punishments and have greater confidence in the leadership. Wrongdoers holding higher positions in the party must be dealt with first to serve as an example. All material bases, financial sources, and supplies must be strictly managed. All irrational systems and procedures open to abuse—such as the right to use bonus funds, public relations funds, travel allowances, housing, and automobiles, and bicycles—vehicles—must be abolished. It is suggested that the province's leadership at all levels and its various services, bureaus, and sections refrain from calling for bids, setting up joint ventures, and managing bonus funds, and taking care of buying and giving gifts unless it is their official function to do so.

The province should combine anticorruption efforts with organizational and personnel work to purify the apparati of the party, administration, and mass organizations, and to satisfactorily make personnel preparations for party congresses at local levels and the Seventh National Party Congress. Cadres showing signs of corruption and a penchant for prerogatives and privileges, localism, and departmentalism should be replaced especially promptly.

Daily Marks 60th Anniversary of United Front

BK1711085590 Hanoi Domestic Service in Vietnamese 1100 GMT 16 Nov 90

[Editorial in 16 November NHAN DAN: "Develop the Traditions of Great All-People Solidarity; Intensify Renovation, Construction and National Defense"]

[Text] Sixty years ago when our people's revolutionary struggle was seethingly and fiercely taking place countrywide and was peaking out on 18 November 1930 with the Soviet-Nghe Tinh movement, the Indochinese Communist Party's standing committee issued a directive to establish the anti-imperialist league, the first front organization in our country.

Although bearing different names and using principles and programs of action suitable to each revolutionary stage over the past 60 years, the united front founded and trained by the party and Uncle Ho has always remained the giant force of the Vietnamese revolution and a sharp political weapon to bring into play our people's integrated strength in the struggle for national independence and freedom as well as in the construction and defense of the Socialist Vietnam Fatherland.

Nowadays, in the process of renovation along the line of the sixth party congress, the front organizations at all levels have mobilized large numbers of people of all strata to support and carry out renovation and have brought about initial results of importance in several aspects, creating enthusiasm and confidence among the people.

The front activities have been conducted under fruitful forms and through various measures consistent with the political tasks of the revolution to promote the people's mastery in building the administration, socialist democracy, the people's armed forces and the all-people national defense and to assure political security, social order, and public safety.

Some of the mass movements launched by the front have brought about practical results. The front has motivated the people of all strata to strenuously excel in production, practice thrift, and renovate the economic management mechanism, thus helping remove difficulties in production and life.

The party Central Committee's eighth plenum resolution once asserted: The Vietnam Fatherland Front plays a great role in consolidating and intensifying the great all-people solidarity bloc to build and defend the Socialist Vietnam Fatherland. To discharge this heavy responsibility, the fatherland front should continually renovate both its operational scope and procedures to positively help maintain political and socioeconomic stability, and together with the party and state remove difficulties in order to victoriously carry out renovation and advance the country. It should bring into play its role in developing socialist democracy, build and consolidate the administration, tighten the relations between the party and the people, struggle against violations of the people's mastery and, at the same time, resolutely oppose the phenomena of abusing democracy to cause division and factionalism and other hostile acts which harm the country's interests and the great all-people solidarity bloc. It should fight corruption and achieve social justice. These are important tasks of the fatherland front in the present revolutionary stage.

The glorious 60-year traditions of the united front are continually urging us to unite with the front and struggle to bring the country's renovation process to victory.

Army's Role in Mass Mobilization Discussed

BK1511130590 Hanoi QUAN DOI NHAN DAN in Vietnamese 17 Sep 90 pp 1, 4

[Article by Lieutenant General Le Linh: "The Army and the Task of Mass Mobilization in the Current Situation"]

[Text] Since its founding, our Army has fulfilled many great historic missions and has proved itself worthy of Uncle Ho's commendation: "Our Army is loyal to the party, devoted to the people, ready to fight and sacrifice for the fatherland's independence and freedom and for socialism, and capable of fulfilling all missions, overcoming all difficulties, and defeating all enemies."

Guided, educated, and trained by the party and Uncle Ho, our Army has constantly developed its strength and scored many glorious victories. It has gained the confidence and love of the party and people. It came into existence amid a seething mass revolutionary movement to perform patriotic deeds. Because our Army comes from, fights for, and maintains a relationship with the poeple like between fish and water, it has not only gained the latter's confidence, love, and patronage, but has also created the marvelous strength of the invincible people's war. Therefore, not only can our Army perform combat duties, but it can also serve as a very effective tool for mass mobilization work.

As far as the ongoing cause of national defense and national construction is concerned, fully understanding the party Central Committee eighth plenum resolution on mass mobilization, our Army has realized even more clearly the need not only to stand ready to defend the fatherland but also to apply its tradition to the task of mobilizing the masses to perform revolutionary deeds.

Many years have elapsed, and new developments have been recorded in our country's history. Nonetheless, the historic experiences our Army has gained from the process of developing its strength and fulfilling its combat mission still apply. For example, we can cite the experience in knowing how to rally, mobilize, and work together with the people in creating an aggregate strength to win victories in time of war and overcome difficult and complicated problems in peaceful reconstruction.

If our Army wants to firmly and vigorously develop its strength, besides the factor of party leadership, there must be a seething revolutionary mass movement among the entire people. That movement will help form new socialist people and outstanding youths for the Army and will lend moral support and create a source of physical strength for the Army in all domains.

At present, our Army must have better quality and higher combat efficiency to fill the gap created by a substantial troop reduction. Because combat efficiency depends first of all on the human factor, youths entering the Army must have high quality in terms of physical fitness and educational background. Particularly, they must display profound patriotism, stand ready to make efforts for self-improvement to turn the fatherland into a prosperous and powerful nation along the socialist path, and willingly and actively participate in all army-building activities. Such youths can be found only in the revolutionary mass movement. Therefore, our Army must participate in mass mobilization work to help launch a revolutionary movement for socialist construction and defense of the socialist fatherland. That movement will have a positive effect not only on national construction and army-building work but also on local all-people national defense projects.

Nevertheless, mass mobilization work is not simple at present because objective and subjective conditions have all changed.

Our Army is participating in peaceful reconstruction, but this does not mean it is through with its combat mission. The important thing is that our troops no longer realize the pressing need to remain attached to the people as they had to do during the time of the liberation war when the people cared for, protected, and fought shoulder to shoulder with the Army. The feelings between the Army and people were then as profound and lasting as the Truong Son Range. At present, due to new socioeconomic conditions, our army units usually have their own living quarters and receive their daily supplies from the state through a network of service providers in accordance with set criteria and regulations. The relations between the Army and people now are also different from what they used to be in the past. Nonetheless, the essence of that relationship, based on the principle that "the army and people are like fish and water," has never changed, and the feelings between the Army and people have remained undiminished. Ours is still an Army that comes from, belongs to, and works for the people under the party's leadership and that continues to assume combat missions and other work assignments as well as engage in production. At the same time, one must recognize the fact that the current social situation is very complicated. The enemy is trying by all means to hinder our renovation undertaking and sow disunity between the Army and people. Social negativism has directly affected the morale and living conditions of members of the Armed Forces. A number of cadres and combatants have committed errors and shortcomings detrimental to the unity of the Army and people and to the good image of Uncle Ho's soldiers. Shortcomings and difficulties have also been reported by organs in charge of troop education and the enforcement of military discipline. All these factors have affected the relations between the Army and people and the Army-initiated mass mobilization work in the new situation.

At this juncture, mass mobilization work is not limited only to making the people thoroughly understand and have confidence in party lines and policies and to helping the people in production and daily life. It also calls for army units to work together with the party committees, administration, and mass organizations in the localities where they are stationed in seeking to understand the thinking and aspirations of people of all strata. They must also study the local social life, socioeconomic problems that are agitating the people's minds, and social injustices that are eroding the masses' confidence. These are problems that are often concealed or diluted by different factions in the localities concerned, making it difficult for anyone trying to understand or appraise them correctly.

These are the difficulties facing our party and Army in their mass mobilization work. However, we should also see the advantages that will help us fulfill this important task. Our Army, despite its showing of some negative phenomena, still contains the finest and most reliable sons and daughters of the people. This is because the Army is the social force that has fought the hardest, made the most demanding sacrifices, endured the most severe hardships, and coped with the greatest difficulties for national independence and for the tranquility and happiness of all families. The majority of our cadres and combatants still preserve their traditional army character and continue to maintain the shining image of Uncle Ho's soldiers. For this reason, the Army's voice is still the voice trusted by the people. Our party has been recognized by the people as their own party. Through the exercise of its leadership and through the exemplary conduct of its members, our party has strengthened the people's confidence in it. Although it has committed mistakes and shortcomings in socialist construction, our party has promptly discovered them. It is now trying to correct these problems and has achieved initial success. Therefore, the majority of the people still have confidence in the party's leadership. Those are very basic advantages the Army enjoys in carrying out mass mobilization work.

To perform successfully the mass mobilization task, all our cadres and combatants should deeply realize that the significance of this work lies in their close relationship with the people. A good understanding of the people's interests will help create a mass movement for revolutionary action in national construction and in the defense of the socialist fatherland. It will also help consolidate public confidence in the party, further heighten the people's revolutionary vigilance, and smash the enemy's "peaceful evolution" scheme aimed at inciting the people to rebellion. Such an understanding will provide a basis for formulating appropriate plans, content, methods, and forms of mass mobilization work. At the same time, our Army must improve itself in all respects to be worthy of the love and trust of the party, state, and people. We must build the Army into a politically stable force; consolidate the leadership of party chapters and committee echelons and turn them into really pure and strong nuclei of leadership; and always maintain the Army as a loyal and trustworthy force of the party for the defense of the party, the state, and the people. We must heighten vigilance to frustrate the enemy's schemes and tricks to neutralize the Army, to drive a wedge between the Army and the people and between the Army and other forces, and to incite and smear the Army.... Each unit must join the local party organizations and administration in building the localities where it is stationed and in consolidating the people's right to real mastery. Each unit must scrupulously abide by the law, strictly maintain discipline, and build fine relations with the local people, party committees, and administration. It must work together with the local administration and other forces to work out plans for training in various forms of struggle to actively and effectively deal with all schemes to foment trouble and rebellion in the locality where it is stationed.

The most important task of our Army is to maintain combat readiness and to fight in the defense of the fatherland, the party, and the socialist state. At the same time, it must satisfactorily perform its function as a working Army by actively propagandizing for the line, policies, and positions of the party and state among the people and by mobilizing and organizing the masses to implement successfully the party's line. The Army must also zealously participate in the struggle against negativism and corruption and bring into full play its positive role to contribute to promoting healthy social relations and to stabilizing the socioeconomic situation in the country, thereby making our Army a truly reliable force of the party, state, and people and a working Army in the new stage of the revolution.

State-Owned Commercial Banks Established

BK2011112490 Hanoi Domestic Service in Vietnamese 1100 GMT 19 Nov 90

[Text] Recently, the Chairman of the Council of Ministers issued a decision to establish the Vietnam Agricultural Bank, the Vietnam Investment and Development Bank, the Vietnam Industrial and Commercial Bank, and the Vietnam Foreign Trade Bank. The decision states the following:

"The Vietnam Agriculture Development Bank formed according to Decree 53 of the Council of Ministers on March 1988 is now changed to a state-owned commercial bank with the name Vietnam Agricultural Bank, or the Agriculture Bank for short.

"The Vietnam Investment and Construction Bank formed according to Decree 53 of the Council of Ministers on 26 March 1988 is now changed to the Vietnam Investment and Development Bank, or the Investment and Development Bank for short.

"The Vietnam Foreign Trade Bank formed according to Decree 53 of the Council of Ministers on 26 March 1988 is now changed to a state-owned commercial bank with the name Vietnam Foreign Trade Bank, or the Foreign Trade Bank for short."

New Economic Zones Set Up for 97,000 Families

BK2011095290 Hanoi Domestic Service in Vietnamese 1430 GMT 19 Nov 90

[Text] In order to implement Decision 118 of the Council of Ministers on moving people to build economic zones, so far 22 provinces in the country have 43 newly planned economic zones altogether to develop rural areas.

According to the plans, more than 97,000 families will be placed in the new land, which provides employment for nearly 191,000 working people.

Postgraduate Course on Environment Closes

BK1611155590 Hanoi VNA in English 1443 GMT 16 Nov 90

[Text] Hanoi VNA November 16—The second postgraduate course on natural resources and environment was closed here today at the Centre for Natural Resource Management and Environment Studies of the Hanoi University.

The first such course was held here last year.

The course was attended by 23 participants who are researchers, teachers and managers in those fields of activity related to natural resources and environment, during which lectures were given by 30 Vietnamese scientists and eight specialists from Germany, the United States, Britain, Thailand, Canada and Australia.

The course was provided with teaching documents and financial assistance by the International Union for Conservation of Nature and Natural Resources (IUCN), the World Wildlife Fund for Nature (WFF), the Swedish International Development Authorities (SIDA) and the Australian embassy in Vietnam.

During the six months' training, the participants were equipped with basic ecological knowledge related to the development and management of various natural resources, and to the assessment of their impacts on the environnment, as well as to the tropical ecosystems in Vietnam and their protoction.

Australia

Exiled Kuwaiti Official: Nuclear Arms Acceptable

BK2011004690 Hong Kong AFP in English 0031 GMT 20 Nov 90

[Text] Canberra, Nov 20 (AFP)—All forms of action are acceptable to free Kuwait from Iraqi occupation, including the use of nuclear weapons, Kuwait's exiled minister of state for foreign affairs said here Tuesday.

Shaykh Naser al-Sabah, who is in Australia for talks with Prime Minister Bob Hawke and other government ministers, told a radio interviewer that he would tolerate "anything to liberate Kuwait."

Asked if that included the use of nuclear weapons against Iraq, which invaded Kuwait and overthrew the ruling Al-Sabah family on August 2, Shaykh Naser replied: "We are for it."

When the interviewer asked whether he would be "unhappy" to see a nuclear attack on Baghdad, the shaykh went on: "For the application of the international law, not at all."

At a news conference here on Monday, Shaykh Naser skirted around questions from journalists about military action, saying only that Kuwait and its allies should talk to Iraqi President Saddam Husayn "as he talks to the world."

Shaykh Naser was interviewed by Pru Goward for ABC Radio in Canberra. The shaykh arrived Friday in Australia after a trip to New Zealand, where he met with newly installed Prime Minister Jim Bolger.

Blewitt Denies EC Pressure on Envoys to Iraq

BK2011064490 Melbourne Overseas Service in English 0500 GMT 20 Nov 90

[Text] The acting foreign minister, Dr. Neal Blewett, has denied that a delegation from the European Community put pressure on him over the number of Australian private envoys going to Iraq to try to negotiate the release of the 30 Australian hostages there. The delegation met Dr. Blewett in Canberra to convey the latest EC resolution opposing government contact with Iraq over the hostages issue. Dr. Blewett said Australia backed the EC resolution, and he denied there was any reflection on the growing number of Australian private envoys going to Iraq. The minister said some of the EC countries have sent leading private citizens to Baghdad with varying degrees of success in getting their countries' hostages free.

Hawke Warns EC of Threat Posed to World Trade

BK2011085390 Melbourne Overseas Service in English 0803 GMT 20 Nov 90

[From the "International Report" program]

[Text] Australia's prime minister, Mr. Hawke, has warned the European Community that its refusal to cut agricultural subsidies threatened international trade talks. In his scathing attack on the European leaders, during an address to business leaders in Sydney, Mr. Hawke said the Uruguay round of GATT talks in Geneva could collapse and lead to a new round of protectionism.

Mr. Hawke and President Bush have agreed that strong leadership is needed to try to salvage the current round of GATT. Australia and the other so-called Cairns Group of countries have a special reason for wanting America and Europe to reach agreement, as Robert Bolton reports from Washington.

[Begin Bolton recording] Australia is part of what is called the Cairns Group of countries, and the United States takes the same broad view on what should happen with trade. They have been negotiating with Europe in a round of talks that started in Uruguay in 1986. America wants to see domestic subsidies to farmers cut by 75 percent over 10 years. Europe effectively wants a 15 percent reduction over five years. America wants export subsidies to be cut quickly and heavily. Europe has been wavering on that subject. America wants the whole complex system of quotas and import licensing replaced by a standardized and downwardly negotiable system of tariffs.

Europe agrees to part of that but wants tariffs to be negotiable upwardly as well if protection is necessary. It is hard to tell which group, Europe or the Free Traders, has been more obstinate. But Bob Hawke has a special reason for pressing George Bush to a speedy agreement.

In Washington DC, the experts say December 31 is the absolute deadline. In the United States, any agreement between Europe and America has to go back to Congress for ratification. Even if agreement is reached by December, it will be the middle of next year before the Congressional process of referral is complete and that assumes there being no difficulty. But if Congress is unhappy with what it sees or does not even see anything till next year, then U.S. ratification gets put back so far it will not happen till 1992. And the problem is, that is an election year.

Congress is already in belligerent mood, and the White House and Capitol Hill have shown in the recent budget crisis, they are not easy negotiating partners. Congressional leaders and White House officials will have their eyes on the electorate in 1992 and especially those southern farming and textile zones. With those sort of things in mind, they are hardly likely to agree on anything which will make life more difficult for primary industry and its spin-offs. That is why some observers say if a deal with Europe cannot be put before Congress this year, the whole program of trade talks in four years at the Uruguay round will be killed stone dead. [end recording]

Fiji

Rabuka Notes 'Serious Reservations' on Army Cut

BK2011102090 Hong Kong AFP in English 0259 GMT 20 Nov 90

[Text] Suva, Nov 20 (AFP)—Fiji's army commander, Major General Sitiveni Rabuka, says he has "serious reservations" about a government decision to cut the South Pacific republic's Armed Forces by one quarter.

In an interview published Tuesday in the FIJI TIMES, Maj. Gen. Rabuka said he felt "duty-bound" to follow orders issued by the government he put into place after leading two military coups in 1987. But reducing Armed Forces strength from 3,900 to 2,885 men would prevent the military from effectively tackling "crisis situations and violent disturbances," he said.

Linking such disturbances to "strong overseas sponsors," Maj. Gen. Rabuka said Fiji should reassess its ties with countries critical of the Constitution promulgated on July 25. He cited Australia, New Zealand and India, which, he said, "took it on themselves to judge Fiji, and not in terms of our development needs and history but in terms of their own standards, which are alien to us."

The Constitution guarantees a parliamentary majority and executive power to indigenous Fijians, who make up about 46 percent of the population of 720,000. The ethnic Indian community, who represent about 42 percent, have described the Constitution as racist and called for a boycott of elections due next year. Fiji ordered India on May 23 to close its embassy here and expelled its diplomats, accusing them of interfering in local politics.

Maj. Gen. Rabuka said elements in Fiji with "strong overseas sponsors appeared bent on destabilising the country, so that internal security concerns got mixed up with Fiji's international relations."

Fiji needed a large military, he said. A small force "cannot effectively deal with crisis situations or violent disturbances instigated by powerful cliques masquerading as so-called democratic forces to sabotage developments favourable to the cause of Fijian uplift," he said.

Fiji maintains relations at ambassadorial level with Australia and New Zealand and still has diplomatic relations with New Delhi despite having closed down the Indian Embassy.

In the wake of the 1987 coups, Fiji had to reevaluate its relations with France, Maj. Gen. Rabuka said, "because help from traditional sources wasn't there anymore." France has supplied 53 trucks, a helicopter and training to the Fijian Army and given soft loans to the interim government.

Maj. Gen. Rabuka said indigenous Fijians had been disadvantaged since British colonial rulers brought in Indian workers in the 19th century. "Fijians, like Indians in India and Malays in Malaysia, had inalienable rights to decide their own fate without external interference," he said.

Australia had "a shocking record in its treatment of aborigines who the white Australian still treats as less than human," while in New Zealand, the Maoris have yet to be heard, he said.

Micronesia Officials Discuss Bid for UN Seat

BK1811121190 Hong Kong AFP in English 1053 GMT 18 Nov 90

[By Davendra Sharma]

[Text] Suva, Nov 18 (AFP)—Federated States of Micronesia officials said here Sunday their country has stepped up its bid for a United Nations seat after assurances of support from China and the Soviet Union, which blocked its move in the past. State President John Haglelgam planned to meet U.S. President George Bush later this month to lobby him on his tiny Pacific island nation's bid to join the United Nations, they said.

Federated States of Micronesia diplomats here said their government, which since independence in 1986 from the United States has established ties with 18 countries and joined 10 major international groupings, was optimistic of getting into the U.N. after recent assurances of support from Moscow and Beijing.

Moscow, which vetoed the original application of the former U.S. Trust Territory on the grounds that Washington was still responsible for its defence, "is now changing heart," said David Panuelo, Federated States of Micronesia deputy chief of mission in Suva.

During a visit to the region last month Viktor Vresvskiy, head of the South Pacific Studies Department at the Soviet Academy of Sciences, said the end of the cold war could see Soviet approval for the compact of free association treaties that bound the Federated States of Micronesia and the Marshall Islands, also a past U.S Trust Territory, to Washington after independence. The 15-year compacts give U.S. defence rights in return for financial aid of around 95 million U.S. dollars annually to each.

Mr. Panuelo said the compact of free association allowed his country to be "nothing short of being a sovereign state. "We retain the conduct of foreign affairs, which allowed us to negotiate relations with 18 states including China, Japan, the Philippines, Israel, the United States" and other regional countries. Australia, the Philippines, China and the United States have embassies in Pohnapei, one of the country's four islands which lie in the Varoline Island chain east of the Philippines and north of Papua New Guinea.

"People will really have to understand our free association; our's is an economic treaty, not any political attachment with the United States. It's well known in international law that sovereign states can delegate defence to other countries," Mr. Panuelo said, adding that his country did not host any U.S. military bases and "we don't intend to have any".

Mr. Haglelgam, who went on a state visit to Beijing on November 3, has been promised support from China at the U.N.. Mr. Panuelo said his government hoped other council members, including Britain and France, would also support its application. Malaysia, South Korea and Japan are believed to want to have ties with the Federated States of Mirconesia.

Official figures show the country earns about 13 million dollars each year in fees from foreign vessels fishing in its 2.97 million square kilometre (1.19 million square miles) exclusive economic zone.

The immense prospects, said Mr. Panuelo, will eventually enable the country to cut its economic reliance on the United States. "We've made some achievements in four years, given the problem of the impasse over recognition at the United Nations. But we think it (membership) is inevitable now because we've had relations with so many countries," he added.

New Zealand

Australia's Evans Comments on Role in ANZUS

BK2011022690 Hong Kong AFP in English 0214 GMT 20 Nov 90

[Text] Wellington, Nov 20 (AFP)—Canberra has no part to play in restoring the ANZUS—Australia, New Zealand and U.S.—defense pact that petered out after Wellington adopted an anti-nuclear stance in 1984, Australian Foreign Minister Gareth Evans said Tuesday. "That's really something for New Zealand and the United States to resolve between themselves," Mr. Evans told a press conference held jointly with his New Zealand counterpart, Don McKinnon.

ANZUS broke down when New Zealand refused to allow U.S ships into its ports unless it had assurances they did not carry nuclear arms—information Washington refused to supply as matter of policy.

New Zealand's anti-nuclear stance was the only major policy difference in talks Mr. Evans held during an overnight stop here and which also covered the Gulf crisis, Fiji, Bougainville, South Africa, Antartica and trade relations.

Mr. McKinnon said that while New Zealand's new national government would not change the anti-nuclear policy inherited from the Labour Party it defeated in elections last month, it would seek greater military ties with the Western alliance.

The two ministers also hinted that they might abandon their policy of isolating Fiji in response to two racially inspired coups there in 1987, because their diplomatic coolness was having little effect. "The problem ... is that really only Australia, New Zealand and India were concerned enough to take action against Fiji," Mr. Evans said.

Mr. Evans struck Fiji off his eight-day Pacific tour because the Suva regime told him he was not welcome there.

The Australian minister has already visited Vanuatu, and is scheduled to go on to Tonga, Niue and the Marshall Islands.

During his talks with Mr. McKinnon and Prime Minister JIm Bolger, Mr. Evans also discussed trade issues, hoping for a successful outcome of the Uruguay round of the General Agreement on Tariffs and Trade (GATT).

Australia says urgent action—including enlisting the support of U.S. President George Bush—is needed to win better agricultural subsidy cuts from the European Economic Community and avoid a collapse of the round. "What part we play to achieve that outcome is changing every day," Mr. McKinnon said.

Premier To Maintain South Africa Sanctions

BK2011031490 Hong Kong AFP in English 0301 GMT 20 Nov 90

[Text] Wellington, Nov 20 (AFP)—New Zealand's new government will maintain cultural and sporting sanctions against South Africa, Prime Minister Jim Bolger said here Tuesday. "I can't see any resumption of sporting contacts until apartheid is demonstrably and irreversibly on the way out," he said.

His comments came in an interview after meeting New Zealand-born Anglican priest and African National Congress member Father Michael Lapsley, who lost both hands and his right eye in a letter bomb attack in Harare in April.

Mr. Bolger said it was fortunate that South Africa had leaders of the calibre of Nelson Mandela and President Frederik de Klerk, who had already accepted the need for change. "The real question is how quick the White South African people can accept and accommodate changes," he said.

Father Lapsley said he was pleased with Mr. Bolger's statement. "We in the ANC look forward to playing sport with New Zealand," he said, "and the way for that to happen is to support the process toward irreversibility—and that's one person, one vote. The ANC is at such a delicate phase of negotiations that any lifting of sanctions, including the sports boycott, will increase the time it will take to reach irreversible change," Father Lapsley said.

Papua New Guinea

AFP Reports Hostages Believed in 'No Danger'

BK2011071290 Hong Kong AFP in English 0659 GMT 20 Nov 90

[Text] Port Moresby, Nov 20 (AFP)—Two missionaries who were among seven people reported by the Papua New Guinea Government to have been kidnapped by Irianese rebels are believed by their mission to be in no danger. The Christian Missions in Many Lands said in a statement Tuesday it did not know where American Steven Schaeffer and New Zealander John Marsh were being held by the Operasisi Papua Merdeka (OPM or Free Papua Movement).

Because of what it described as the "delicate nature" of the situation, the mission said it was unable to express an opinion on the motive for the kidnapping, but added: "We do not believe they are in any danger."

Prime Minister Rabbie Namaliu said the seven were kidnapped in a Sunday night raid on the Papua New Guinea border post of Amanab, about 20 kilometres (12 miles) from the border.

Three of the others are Filipino construction workers and two are Papua New Guinean border officials. The Papua New Guineans were unofficially identified by a Sydney newspaper as John Marsh and Karl Gumari and the Filipinos as Amando Heraldo, Cirlo Barrion and Oscar Tirones.

An eighth man, Papua New Guinea official Jimmy Jimanke, is reported to have been kidnapped but freed to act as mediator.

Amanab is 100 kilometers (62 miles) from the northern tip of the 750 kilometre (469-mile) border between Papua New Guinea and the Indonesian province of Irian Jaya.

The missionary group said Mr. Schaeffer had been with the group in Papua New Guinea for about a year and has relatives in the country, but gave no other details of his background.

The rebels have demanded Papua New Guinea recognize their struggle for the independence of Irian Jaya from Indonesia. Papua New Guinea recently signed an agreement with Indonesia to cooperate in military action against the rebels.

Irian Jaya, the former Dutch territory of West Irian, has been an Indonesian province since 1963. The Free Papua Movement has been fighting for either independence or a merger with Papua New Guinea ever since incorporation into Indonesia became final.

Irian Jaya's people are Papuan—ethnic Melanesians whose culture and language has little in common with the rest of Indonesia's diverse ethnic groups, especially the dominant Javanese.

Government Demands Return

BK2011102090 Hong Kong AFP in English 1000 GMT 20 Nov 90

[Text] Port Moresby, Nov 20 (AFP)—The Papua New Guinea government Tuesday sent troops to its border with Indonesia and declared a dawn-to-dusk curfew in the area as part of its response to the kidnappings of six people by rebels.

At the same time, the government made contact with the Organisasi Papua Merdeka (OPM or Free Papua Movement) to demand that it free the six, described by Prime Minister Rabbie Namaliu as hostages.

Mr. Namaliu told a news conference here his government had no intention of negotiating with the OPM "under conditions that amount to blackmail." He said the rebels, who are seeking independence for Irian Jaya from Indonesia, had demanded that the two countries meet urgently to discuss the issue. "Our prime concern at this moment is the release of the hostages, safe and uninjured," Mr. Namaliu said. "It is a major miscalculation by OPM if they feel that capturing hostages will increase our readiness to listen to their political demands."

The prime minister also corrected his earlier statement that eight people, including an Australian, had been kidnapped. The hostages were officially named as John Marsh of New Zealand and Steven Schaeffer of the United States, Filipino construction workers Amando Heraldo, Cirlo Barion and Oscar Tirones, and Papua New Guinea border official Carl Kumari. Mr. Marsh and Mr. Schaeffer are both missionaries belonging to the Christian Missions in Many Lands.

Mr. Namaliu said the rebels had given assurances that all six were well and had guaranteed their safety.

The prime minister described the activitites of the OPM as "an unacceptable infringement of this nation's territorial integrity. "Hostage taking has no place in this part of the world, and those who undertake such inhuman and illegal activities will face the consequences," he warned.

He said the OPM was exposing itself to enormous risks by involving citizens of other countries. New Zealand, the United States, the Philippines and Indonesia were being kept fully informed of developments, he said.

"The persons held captive by the OPM have nothing whatever to do with any grievances that organisation may harbour, and it is intolerable that (they) should be held against their will," he added. "It is equally intolerable that nationals of Papua New Guinea should be similarly treated."

He warned that the Amanab station where the kidnappings occurred was now firmly under government control. A platoon of soldiers sent from moon barracks in Wewak were conducting a special operation codenamed Operation Star to try to recover the hostages. The government, he said, had "complete control" of the situation and was hopeful of early release of the hostages.